



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



4

August 21, 1990

Budget & Finance Committee
Transportation/Community
Development Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: Various Matters re Implementation of Southside Park
Area Revitalization Program

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency and City Council of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolutions approving the proposed funding and Request for Proposals.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

SOLON WISHAM, JR.
Assistant City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



August 20, 1990

Redevelopment Agency and
City Council of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Proposed Use of the \$2.1 million (1990 Downtown Tax Allocation Bond Proceeds Reserved for the Southside Park Development Fund) for Land Banking, a Loan Pool for Housing Rehabilitation and New Construction Gap Financing, and Request For Proposals for the Agency Site at 5th and "T" Streets

SUMMARY

This report recommends: (1) adopting criteria and priorities for the use of the \$2.1 million in 1990 Downtown Tax Allocation Bond (TAB) proceeds reserved by the Sacramento Housing and Redevelopment Agency ("Agency") for the Southside Neighborhood Development Fund; (2) establishing a rehabilitation and gap financing loan pool for the Southside Park area; (3) authorizing the purchase of infill development parcels; and (4) authorizing the issuance of a Request for Proposals (RFP) for the development of the Agency site at 5th and "T" Streets.

BACKGROUND

The primary objective of the Agency's Southside Park Housing Strategy is to assist neighborhood residents, and to work with governmental entities and private for-profit and nonprofit housing developers in order to retain and enhance Southside Park as a viable residential area. The strategy is to promote a mixed income community, preserve the distinctive architectural character of the area, and ensure that new private investment and development complements existing uses.

Pursuant to its October 1989 adoption of the Southside Park Housing Strategy, the Agency has budgeted \$2.1 million in projected 1990 Downtown Tax Allocation Bond proceeds to fund the development and rehabilitation of housing in the Southside area. This area, immediately adjacent to the Merged Downtown Redevelopment Area,

(1)

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includes property suitable for low- and moderate-income housing. The Redevelopment Area will be benefitted by the allocation of funds to the Southside Park area for low- and moderate-income housing. This report recommends criteria and priorities for the use of those funds.

The strategy for the use of these redevelopment funds is to, in effect, "prime the pump" by funding quality residential projects which will provide the catalyst to stimulate and attract new private investment in preserving and expanding the housing supply in the Southside Park Neighborhood. In particular, these criteria and priorities reflect statutory requirements that the funds be used to improve or increase the supply of low and moderate (80% to 120% of median) income housing. They are also designed to leverage other state and federal sources of funding for housing rehabilitation and development and to complement other Agency rehabilitation and ownership assistance programs.

Agency staff have been working with the Southside Park Neighborhood Association on a regular basis to discuss and solicit comments on the proposed funding criteria and priorities.

In keeping with the Agency's Southside Housing Strategy and taking into consideration community concerns, staff recommends that the \$2.1 million be allocated as follows:

- o \$1.2 million for site acquisition
- o \$900,000 for rehabilitation and gap financing efforts

Additionally, the following criteria will be used to consider and determine projects eligible for funding:

Legal Requirements Pursuant to Redevelopment Law

1. Affordability for rental units targeted for low- and moderate-income households. Rent (plus a utility allowance) for assisted units shall not exceed 30% of 120% of median income in the Sacramento Metropolitan Statistical Area, as adjusted for household size;
2. Avoidance of or minimization of tenant displacement;
3. Where tenant displacement is unavoidable, low- and moderate-income tenants shall have priority access to

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rehabilitated units or newly constructed units. To the extent possible, the rents shall be comparable to those previously paid by the tenant;

4. Assisted low- and moderate-income rental units must be affordable for not less than 15 years;
5. Assisted owner occupied units must be affordable to low and moderate income households for not less than 10 years. The Agency will institute a program that will ensure return of the subsidy if the owner sells the property in less than 10 years to a purchaser who is not low- or moderate-income or at a price which is not affordable.

Additional Criteria

1. Project economic feasibility;
2. Reimbursement of Agency to the extent possible;
3. Leveraging of Agency funds with other public and private funds;
4. Contribution to the revitalization of housing in the Southside Park Area;
5. Improvement or increase of the supply of low- and moderate-income housing available at affordable cost in the Southside Park Area;
6. Achievement of a mix of very low-, low- and moderate-income and market rate housing;
7. Rehabilitation assistance for: owner occupant, owner occupant/rental, and investor/rental units;
8. Management capability, if a rental project;
9. Preservation of the historic and architectural character of the area;

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10. Preservation of specific structures with designated historic significance;
11. Use of quality design and materials;
12. Maintenance of the scale and character of the area, if a new infill project;
13. Provision of community amenities.

STRATEGY IMPLEMENTATION

The Southside Strategy includes development of the Agency owned 5th and "T" Streets site, rehabilitation of units within proximity to the site within the special priority area ("S" to "U"/3rd to 6th Streets - see "Exhibit C" map) and site assembly, site acquisition, and the establishment of a pool fund for rehabilitation and gap financing to be available for use throughout the Southside Neighborhood Preservation Area ("S" to "W"/3rd to 11th Streets).

I. Agency's 5th & "T" Streets Site Development

The development of the Agency owned site at 5th and "T" Streets is central to the Agency's effort to retain and enhance Southside Park as a viable residential community. The Agency seeks approval to solicit proposals for a medium-density development intended for owner-occupancy that will incorporate high quality design that is in keeping with the style and scale of the surrounding neighborhood.

The development will likely be attached townhome type units. Although this site was originally purchased as part of the public housing landbanking program, staff is instead recommending its use as an owner occupied site. The primary reasons for this is that the Southside area already has a high percentage of low-income and renter households. Households with low-incomes comprise 38.2% of the neighborhood and renters 75.9%. Ownership housing will engender neighborhood revitalization and stabilization.

Preliminary market data indicates that there is a growing demand for ownership units in the central city. To ensure that units are within reach of existing low-income Southside residents, 20 to 40% of the units will be affordable to

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households earning 80%, and less, of median income. At an 8.3% interest rate, assuming bond financing, a three person household earning 80% of median income could afford a loan of \$98,372. The land was purchased using 1987 tax allocation bond proceeds for \$521,000. Assuming 26 to 36 units, the per unit land cost would be between \$14,500 and \$20,000. Project costs analysis indicates that the units can be made available at costs which are affordable to households earning 80%, and less, of median income. To the extent a lower income group is targeted, a subsidy will probably be required.

The RFP, attached as "Exhibit A," anticipates sale of the land to the developer. A land write-down will be considered to enable at least 20% of the units to be affordable. A mix of one-, two-, three- and four-bedroom ownership units is expected.

The site contains three historically significant structures. Staff will work with the State Office of Historic Preservation (SHPO) to move and rehabilitate two of the structures. To encourage private sector relocation and rehabilitation of these structures to historic standards on appropriate infill sites within the Southside Park area, the Agency will offer these structures for sale to potential developers/owners for \$1. First priority will be given to developers/owners who secure private financing for structure relocation and rehabilitation. If necessary developer/owners who intend to relocate and rehabilitate these structures for residential use may apply for rehabilitation financing through the Southside Rehabilitation and Infill Gap Financing Loan Pool described below.

The third structure, located at 430 "T" Street and known as the "Potter" house, is of greater historic significance. In conformance with City and State historic preservation requirements, proposals for the 5th and "T" Streets site must address the historic preservation of the "Potter House" in the following manner:

1. Proposals must include cost data and an analysis regarding the feasibility of rehabilitating the "Potter House" to historic preservation standards in its present location as a part of the development of the entire 5th and "T" Streets site.

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2. If the applicant finds that it is feasible to preserve the "Potter House" on site, then the applicant must either:
 - a) Incorporate the preservation of the "Potter House" into the development plan for the entire site; or
 - b) Provide acceptable justification for the development of the site, exclusive of the "Potter House" and its parcel. In this case the Agency will segregate the "Potter House" parcel from the remainder of the 5th and "T" Streets site and rebid rehabilitation of the structure by itself.
3. If, based on the data and analysis provided, the applicant finds that it is not feasible to preserve the "Potter House" on site, then in consultation with the selected developer the Agency will facilitate relocation of the "Potter House" to a suitable parcel within the Southside Park neighborhood for rehabilitation to historic preservation standards.

Applicants who rehabilitate the Potter House on or off site for residential use may apply for rehabilitation financing through the Southside Rehabilitation and Infill Gap Financing Loan Pool described below. Because the source of funds for this loan pool is the 20% set-aside for low- and moderate-income housing from the Merged Downtown Redevelopment area, the Agency will be unable to provide rehabilitation financing for applicants who intend to rehabilitate the "Potter House" for any use other than residential (e.g., community center).

Review and Selection Process

A five member selection committee composed of one member of the Sacramento Housing and Redevelopment Commission, two community residents selected by the Southside Park Neighborhood Association, the Agency Assistant Director for Housing and one person with a background in architecture and housing development to be selected by the other four committee members will review all proposals that meet the minimum criteria outlined below. Based upon an evaluation of the submitted materials, interviews, and the developer's demonstrated capacity and experience with similar projects,

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the selection committee will make a recommendation to the Sacramento Housing and Redevelopment Commission. The Commission, in turn, will make a recommendation to the City Council which shall make the final selection.

Evaluation Criteria

Suggested minimum criteria that must be met by all proposals to develop this site include:

- 1) The proposed development must demonstrate economic feasibility.
- 2) At least twenty percent (20%) up to a maximum of forty percent (40%) of the total project units must be made available at affordable cost to households with incomes that are less than or equal to eighty percent (80%) of area median income. Affordability requirements shall apply for 10 years. These restrictions shall be enforced via a recorded regulatory agreement and deed restrictions.
- 3) The developer must demonstrate financial capacity and the ability to arrange financing for the project. Applicants must submit letters of interest from financial sources other than the Sacramento Housing and Redevelopment Agency.
- 4) The developer must document previous experience in development and marketing of similar residential projects.
- 5) The proposal must comply with the Agency's objectives including the desire to provide a development of high quality materials and design that is in keeping with the scale and character of the surrounding neighborhood and historic district.

In addition to evaluating compliance with these minimum criteria, the Agency will consider most favorably those proposals which:

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- 1) Provide the best return to the Agency for the land, taking into consideration discounts, if any, for affordable units;
- 2) Provide the greatest number of residential units at a density that is in keeping with neighborhood character;
- 3) Provide amenities (e.g. laundry facilities, community meeting rooms, garden areas, playground) to the residents and the Southside Park community;
- 4) Demonstrate that the project can be completed on schedule;
- 5) Include a strong marketing plan that targets Southside Park residents and a mix of income and ethnic groups.

II. Land Acquisition for Housing Development

To stimulate private investment in housing in the area, the Agency plans to acquire additional sites for housing development within the Southside Park "Neighborhood Preservation and special priority" areas. We therefore are requesting approval to allocate \$1.2 million of the Southside Park Development fund for site acquisition in the area.

Site Acquisition Process

The Redevelopment Agency of the City lacks eminent domain authority in the Southside Park area, since it is not a redevelopment area. Since the Redevelopment Agency cannot exercise condemnation authority in this area, it will purchase sites only from willing sellers.

The Agency has prepared option agreements to purchase sites in the Southside Park area. These options are for a period of 135 days. This option period includes an initial 60-day contingency period during which the Agency enjoys essentially a "free look" without obligation to proceed with the purchase. During this contingency period, the Agency will attain engineering and toxic clearances on optioned properties. Subsequent to this contingency period, the Agency's option money will be at risk.

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The exercising of these options is contingent upon the availability of funds from the sale of 1990 Downtown Tax Allocation Bonds. At such time as these funds become available, the Agency will enter into purchase agreements with the sellers. After entering into purchase agreements, the Agency will have the properties appraised to determine their fair market value and will negotiate the final price based on the appraisal.

Acquisition Priorities

Agency staff recommends six (6) sites comprising twenty-six (26) parcels in the Southside Park area as priority sites for acquisition for housing development. The general reasons for selecting these sites for acquisition are: (1) to focus program resources in the "special priority area" in the northwest corner of the Southside Park neighborhood pursuant to Council direction in the original Southside Strategy. Targeting of funds in this area was intended to create a critical mass, and support the activities around the 5th and "T" Streets by encouraging other for-profit and non-profit housing developers to rehabilitate and build homes in the target area, (2) to facilitate the preservation of historically significant residential units in the area, and (3) to encourage neighborhood serving, mixed use development on R-0 and C-2 zoned parcels on the area's periphery that will create a positive transition between residentially and commercially zoned areas. "Exhibit B" provides a detailed description of each site including zoning and current use. The first sites to be acquired are adjacent to the Agency's planned 5th and "T" Streets development. Their acquisition is timed to support and anchor this development.

Financing

The Agency recommends that site acquisition proceed in order of priority until the \$1.2 million in site acquisition funds are exhausted. If, after the purchase of all willing sellers' properties, there is an unused balance of site acquisition funds, the residual funds would be rolled into the rehabilitation/gap financing pool (discussed below) for the Southside Park area. Should the total fair market value for the properties of all willing sellers exceed the \$1.2 million allocated for site acquisition, the Agency would be unable to

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purchase all the available sites.

III. Development Subsidy

To the extent subsidy is needed to accomplish projects, the Agency will consider: a land write-down, use of State Propositions 77/84 funds, rental rehab, tax credits, and, if necessary, the funds from the \$900,000 rehabilitation/infill gap reserve. Infill development is expected to be accomplished primarily through land write-downs. To the extent possible, the Agency will try to recoup its site acquisition funds. Repayments of funds will be used for further site acquisition opportunities and/or rehabilitation/infill gap financing.

Landbanked sites acquired by the Agency will be offered to investors and/or owner/occupants through an aggressive marketing plan and a Request for Proposals process. Applicants will be required to show that they have sufficient financial capacity and experience to rehabilitate/develop the units.

IV. Rehabilitation and Infill Gap Financing Reserve

The Agency recommends the establishment of a \$900,000 loan pool for rehabilitation of existing housing and infill gap financing for construction of new housing which would be replenished through loan repayments thereby providing proceeds for additional loans. These loans would be available throughout the Southside Neighborhood Preservation Area on a first-come, first-served basis, although priority will be given to projects in the special target area or on sites owned by the Agency. Applicants must comply with the legal requirements and Agency funding criteria previously outlined in the BACKGROUND section of this report.

(a) Rehabilitation Program for Owner-Occupied Projects

The Rehabilitation Loan Program for owner-occupied projects would operate under the approved administrative guidelines for the Agency's CDBG Rehabilitation Program with the following exceptions:

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- (1) Projects with one to four units would be eligible.
- (2) Maximum loan amount would be \$33,500 per unit. However, the Agency would reserve the right to exceed this amount on a case-by-case basis for projects which are only feasible with additional subsidy.
- (3) Neighborhood Impact Improvements (NII) which contribute to a general improvement neighborhood appearance would be eligible. These NII would include project related sidewalks, driveways, landscaping and tree trimming.

- (b) Rental Rehabilitation and Infill Gap Financing Program
Rental rehabilitation and infill gap financing will be handled on a loan by loan basis through interest subsidy on conventional financing and be subject to approval by the Sacramento Housing and Redevelopment Commission. Staff will report back with the details of the infill program.

The Agency will aggressively market the rehabilitation and infill gap financing program in the Southside Park Area through presentations before the neighborhood association's Housing and Neighborhood Revitalization Committee and at the neighborhood association's monthly general membership meetings, program announcements and promotional articles in the neighborhood association's planned monthly newsletter and through individual meetings with interested groups and individuals.

FINANCIAL DATA

No. new Agency or City revenues are required to implement the recommendations in this report. The \$2.1 million in proceeds from projected 1990 Downtown Tax Allocation Bond sales have been reserved in the Agency's 1990 budget for these activities.

ENVIRONMENTAL REVIEW

The issuance of a request for proposal is an administrative action and, as such, exempt from environmental review. The acquisition of properties to assist low or moderate income housing development is

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exempt per CEQA Section 15267. Subsequent site-specific projects will undergo environmental review as projects are proposed for development.

MBE/WBE

The RFP and DDA discussed in this report will contain the appropriate SHRA MBE/WBE policies and requirements. The RFP will be advertised in minority publications and MBE/WBE firms will be encouraged to submit proposals.

POLICY IMPLICATIONS

No new policies are recommended in this report. This report refines and implements the housing strategy previously approved for Southside.

VOTE AND RECOMMENDATION OF THE COMMISSION

At its regular meeting of August 20, 1990 the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES:

NOES:

ABSENT:

RECOMMENDATION

The staff recommends that the Agency adopt the attached resolutions:

- (1) establishing a rehabilitation and infill gap financing loan pool for the Southside Park area;
- (2) authorizing the purchase of parcels (voluntary only) at appraised price to be determined; and

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- (3) authorizing the issuance of a Request for Proposals (RFP) for the development of the Agency site at 5th and "T" Streets.

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Thomas V. Lee, 440-1357

F:\PLF\JOHN\0164NEW

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

IMPLEMENTATION OF SOUTHSIDE PARK AREA REVITALIZATION PROGRAM

WHEREAS, the Agency has approved the implementation of the Southside Park Area Revitalization Program as described in the staff report filed with this resolution; and

WHEREAS, the Agency desires to utilize tax increment funds in the Low- and Moderate-Income Fund and derived from the Merged Downtown Project Area to fund the Southside Park Area Revitalization Program; and

WHEREAS, the Program will be near and will serve the Merged Downtown Redevelopment Project Area.

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

Section 1: The Agency hereby establishes the Southside Rehabilitation and Infill Gap Financing Reserve ("the Reserve") to be funded by up to \$900,000 from the 1990 Tax Allocation Bond Issue. The Reserve shall be used to provide loans throughout the Southside Neighborhood Preservation Area on a first-come, first-served basis, although priority will be given to projects in the special target area or to projects or houses developed on sites owned by the Agency. Applicants shall comply with the legal requirements and Agency funding criteria established for the Reserve.

The Rehabilitation Loan Program for owner-occupied projects shall operate under the approved administrative guidelines for the Agency's CDBG Rehabilitation Program with the following exceptions:

- (1) Projects with one to four units shall be eligible.

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RESOLUTION NO.: _____

DATE ADOPTED: _____

- (2) Maximum loan amount shall be \$33,500 per unit. However, the Agency shall reserve the right to exceed this amount on a case-by-case basis for projects which are feasible only with additional subsidy.
- (3) Neighborhood Impact Improvements (NII) which contribute to a general improvement in neighborhood appearance shall be eligible. These NII would include project related sidewalks, driveways, landscaping and tree trimming.

The Rental Rehabilitation and Infill Gap Financing Program shall be implemented in accordance with further rules and regulations, as shall from time to time be adopted by the Sacramento Housing and Redevelopment Commission, which are consistent with the purposes hereof.

Section 2: The Agency determines that just compensation for the following parcels shall be the appraised fair market value as determined by an appraisal undertaken for that purpose by Howard A. Pearson and Associates:

Assessor's Parcel Nos.

009-054-013, 014, 015, 016, 017, 018, 019, 020, 021, 022, 023;
 009-056-001, 002, 003, 004, 005, 009, 010, 011, 012;
 009-072-009, 010, 011, 012;
 009-113-016; and
 009-115-003.

Section 3: The Executive Director is authorized to negotiate and consummate, if possible, the voluntary purchase of the properties listed in paragraph 2 above at the amounts of just compensation established above. The Executive Director is further authorized to take all necessary action and execute all necessary documents to complete such purchases.

Section 4: The Executive Director is hereby authorized to issue a Request for Proposals to solicit proposals for the development of the Agency-owned site at 5th and "T" Streets, which will include the following parcels of real property:

Assessor's Parcel Nos.

009-113-004, 005, 006, 007, 008, 009, 010, 011, [016].

Section 5: The Agency hereby finds and determines pursuant to Health and Safety Code Section 33334.2(g) that the use of tax increment funds in the Low- and Moderate-Income Housing Fund and derived from the Merged Downtown Project Area to fund the Southside Park Area Revitalization Program as set forth above will be of benefit to the Merged Downtown Project Area.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION OF BENEFIT FOR SOUTHSIDE PARK AREA REVITALIZATION PROGRAM

WHEREAS, the Agency has approved the implementation of the Southside Park Area Revitalization Program as described in the staff report filed with this resolution; and

WHEREAS, the Agency desires to utilize tax increment funds in the Low- and Moderate-Income Fund and derived from the Merged Downtown Project Area to fund the Southside Park Area Revitalization Program; and

WHEREAS, the Program will be near and will serve the Merged Downtown Redevelopment Project Area.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

Section 1: The Council, acting as legislative body of the Redevelopment Agency, hereby finds and determines pursuant to Health and Safety Code Section 33334.2(g) that the use of tax increment funds in the Low- and Moderate-Income Housing Fund and derived from the Merged Downtown Project Area to fund the Southside Park Area Revitalization Program as set forth above will be of benefit to the Merged Downtown Project Area.

MAYOR

ATTEST:

CITY CLERK

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RESOLUTION NO.: _____

DATE ADOPTED: _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

EXHIBIT A

D R A F T R E Q U E S T F O R P R O P O S A L S

RESIDENTIAL DEVELOPMENT SITE
SOUTHWEST CORNER OF FIFTH & "T" STREETS
SACRAMENTO, CALIFORNIA

PROPOSALS WILL BE ACCEPTED UNTIL 5:00 P.M., October 22, 1990

REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO
630 "I" Street
Sacramento, California 95814

Contact: Susan Bloch
(916) 440-1328

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INVITATION TO SUBMIT PROPOSALS

FOR RESIDENTIAL DEVELOPMENT OF PROPERTY LOCATED IN THE
SOUTHSIDE PARK NEIGHBORHOOD

			<u>Assessor's Parcel No.</u>
404	T Street	vacant land	009-113-04
406	T Street	unoccupied duplex	009-113-05
412	T Street	vacant land	009-113-06
416	T Street	vacant land	009-113-07
420	T Street	vacant land	009-113-08
430	T Street	unoccupied duplex	009-113-09
2012	5th Street	vacant land	009-113-10
2014	5th Street	unoccupied single-family residence	009-113-11
[On alley con- necting 4th & 5th Streets		Empire Electric site	009-113-16]*

It is the Agency's intention to offer the above-listed parcels for development as a package. (See attached maps on pages 3 and 6). Proposals should assume a lot-line merger aggregating the parcels.

*The Agency is seeking to acquire an option to purchase this site.

DESIRED DEVELOPMENT CONCEPT

The Sacramento Housing and Redevelopment Agency is pleased to invite proposals for the development of this unique residential infill site which is located at the southwest corner of 5th and "T" Streets.

Consistent with the goals of the Central City Community Plan and with the Agency's "Southside Neighborhood Strategy," proposals for development of the site should incorporate sensitivity to the historic character and to the scale and density of the surrounding residential neighborhood. Current zoning allows 36 units per acre on the site.

The development must provide housing for a range of income groups and provide a mix of one-, two- three- and four-bedroom units intended for owner-occupancy. At least twenty percent (20%) up to a maximum of forty percent (40%) of the total project units must be made available at affordable cost to households with incomes that are less than or equal to eighty percent (80%) of area median income.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

The above listed sites, in aggregate comprising 41,600 square feet [+ 14,212 Empire], are owned by the Sacramento Housing and Redevelopment Agency. The Agency is prepared to sell the land and existing structures. A land write-down will be considered to enable 20% to 40% of the units to be offered at affordable cost.

Potential developers are advised that the subject property is included within a City Preservation Area; therefore, development of the site will be monitored by both the City's Design Review Preservation Board and the State Office of Historic Preservation (SHPO). In addition, the building located at 430 "T" Street, known as the "Potter" house, (APN 009-113-09) is listed as a "priority" structure on the City's "Register of Structures with Architectural or Historical Significance." The block lies in an historic district considered by the SHPO to be eligible for listing on the National Register of Historic Places.

Consequently, proposals must either indicate: (a) how the building's historic character can be maintained through rehabilitation and how the structure can be incorporated into the overall site plan; or, (b) must provide an analysis indicating that on-site preservation of the structure is infeasible. The Agency will arrange for relocation of the two other historic structures located on APN 009-113-05 and 009-113-11.

DEVELOPMENT SITE

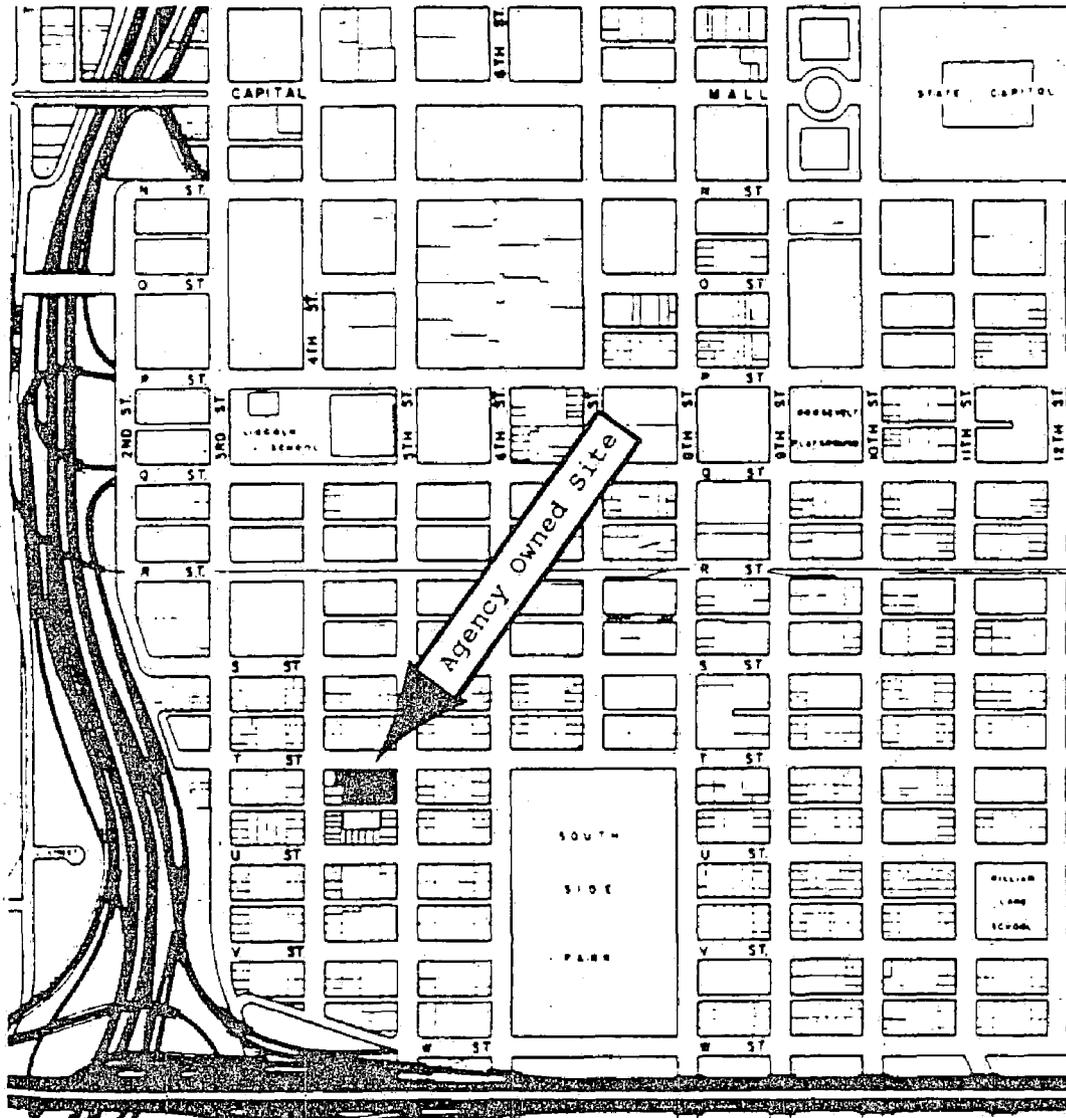
AREA DESCRIPTION

The site is located in the "Southside Park" neighborhood of the City of Sacramento, approximately ten blocks southwest of the State Capitol and Sacramento's central business district.

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LOCATION MAP

5th & "T" STREETS SITE



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Under the recently adopted Southside Neighborhood Strategy, in close cooperation with community residents and organizations, the Agency is actively working to revitalize neighborhood residential

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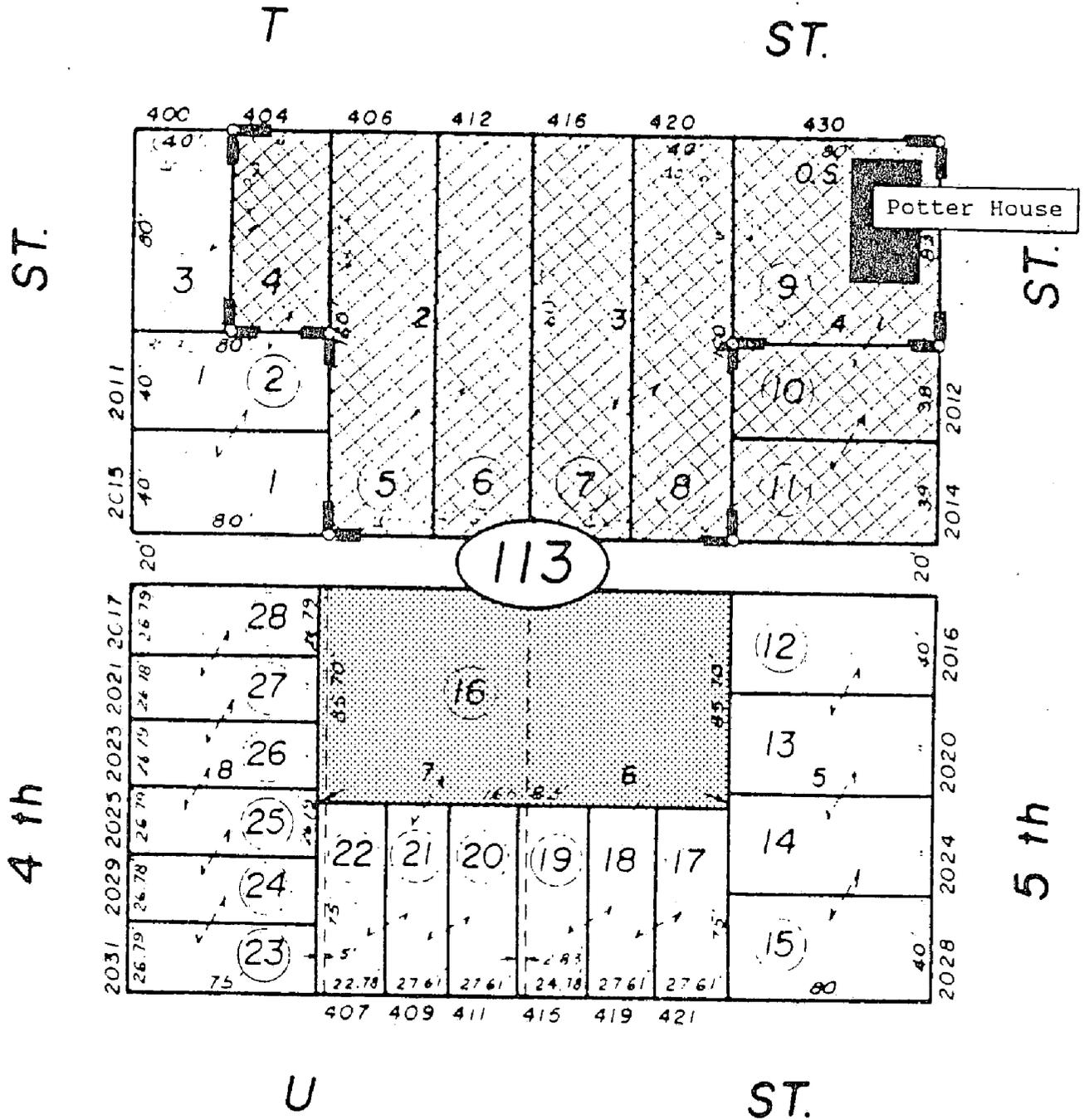
Topography: The site is nearly level and near street grade.

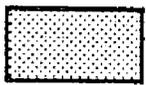
Surrounding land uses:

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PARCEL MAP

5th & "T" STREETS SITE



-  Agency Owned Site
-  Empire Electric

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EXISTING STRUCTURE

Potter House, 430 T Street, Assessor's Parcel No. 009-0113-009

This site is occupied by a vacant, two-story, frame residential duplex containing 2212 square feet. Each unit contains two bedrooms, a living room, dining room, kitchen, and one bath. Additional structural features include:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

3. If, based on the data and analysis provided, the applicant finds that it is not feasible to preserve the "Potter House" on site, then in consultation with the selected developer the Agency will facilitate relocation of the "Potter House" to a suitable parcel within the Southside Park neighborhood for rehabilitation to historic preservation standards.

REVIEW AND SELECTION PROCESS

EVALUATION CRITERIA

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

- 4) Demonstrate that the project can be completed on schedule.
- 5) Include a strong marketing plan that targets Southside Park residents and a mix of income and ethnic groups.

AFFORDABILITY REQUIREMENTS

The development must provide residential units for a mix of household incomes. At least twenty percent (20%) up to a maximum of forty percent (40%) of the total project units must be made available at affordable cost to households with incomes that are less than or equal to eighty percent (80%) of area median income. These "targeted" units must remain available at affordable cost to lower-income households for 10 years. [However, sale of these units to higher-income households may be permitted pursuant to an equity-sharing agreement that returns a share of the sale proceeds equal to the initial Agency subsidy to the Agency.] The affordability restrictions and the equity-sharing agreement will be enforced via a recorded deed restriction.

SUBMISSION PROCEDURES

Briefing Session

An informational session for prospective developers will be held at 12:30 p.m. on September 11, 1990 at 600 "I" Street, Sacramento.

Site Inspection

The structures will be available for public inspection on Tuesday, September 11, 1990 at 3:00 p.m. or if necessary, upon request.

Due Date

All proposals must be submitted to the Sacramento Housing and Redevelopment Agency, 630 "I" Street, 3rd floor, Sacramento, CA 95814, Attn: Joan Roberts, Agency Clerk, no later than 5:00 p.m. on Monday, October 22, 1990. Seven copies of the proposal and all required attachments must be submitted by this deadline.

SELECTION PROCESS

A selection committee composed of one member of the Sacramento Housing and Redevelopment Commission, two community residents selected by the Southside Park Neighborhood Association, the Agency Assistant Director for Housing and one person with a background in architecture and housing development to be selected by the other four committee members will review all proposals that meet the minimum criteria outlined above. If requested, the developer must

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

verbally present the proposal to the selection committee. In addition, developers may be requested to present their proposals at a public community meeting, to the Sacramento Housing and Redevelopment Commission, and to the City Council.

Based upon an evaluation of the submitted materials, interviews, and the developer's demonstrated capacity and experience with similar projects, the selection committee will make a recommendation to the Sacramento Housing and Redevelopment Commission. The Commission, in turn, will make a recommendation to the City Council which shall make the final selection.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

PROPOSAL FOR PURCHASE AND DEVELOPMENT OF LAND

TO: Robert E. Smith, Executive Director
Sacramento Housing & Redevelopment Agency
630 I Street, Sacramento, CA 95814
Staff Contact: Susan Bloch, (916) 440-1328

The undersigned, _____,

() a corporation organized and existing under the laws of the State of _____

() a limited partnership consisting of the following individuals:

() an individual, (hereinafter called the "Developer"),

Address _____

City _____ State _____ Zip _____

Phone () _____

hereby submits a development proposal for Assessor's Parcel Numbers 009-113-04, 009-113-05, 009-113-06, 009-113-07, 009-113-08, 009-113-09, 009-113-10, 009-113-11, [and 009-113-16], which shall be subject to a Declaration of Restrictions to be prepared prior to the execution of a Development and Disposition Agreement. The Developer agrees that all of the following information and the submitted materials are the exclusive property of the Sacramento Housing and Redevelopment Agency and need not be returned.

The Developer understands that, in evaluating this proposal and other proposals, the Redevelopment Agency will consider a number of factors including, but not limited to:

- a) Economic soundness of the proposed development;
- b) Affordability of the development to households with a mixed range of incomes;
- c) Number and size of residential units;
- d) Quality of design and materials;
- e) Consistency with the scale, density, and historic character of the surrounding neighborhood;

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

- f) Amenities provided to the residents and the community;
- g) Development schedule;
- h) Return to the Agency;
- i) Experience and ability of the development team, architect, and developer;
- j) Financial capacity of the developer and ability to secure financing;
- k) Demonstrated marketability of project.

The Developer further understands and agrees that the submission of this proposal and accompanying exhibits in no way obligates the Agency. The Agency reserves the right to reject any and all proposals at its sole discretion.

The Developer further understands that the Agency will make the proposals available to the public at a series of public meetings prior to the final selection of a developer by the City Council. Confidential financial statements will not be made public.

This proposal includes and incorporates herein by reference all of the following:

- Exhibit 1: Project Summary (use attached form).
- Exhibit 2: Narrative statement describing proposed scope of development, parking plan, and planned treatment of existing historic structure. All proposals must include a plan for rehabilitation of the existing structure located at 430 T Street (APN 009-113-09) or an analysis indicating that on-site rehabilitation is infeasible.
- Exhibit 3: Narrative statement describing the members of the development team (including developer, architect, and general contractor). This statement should identify each team member and include a description of each member's experience with similar projects. Include resumes and references.
- Exhibit 4: Description of the proposed development, including:
 - 4A: Preliminary site plan showing parking, landscaping, and relationship to adjacent properties.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

- 4B: Narrative description of design features including innovative features and description of how the proposed development will complement architectural features of the surrounding historic district.
 - 4C: Typical schematic floor plans.
 - 4D: Architectural concept elevations, indicating proposed exterior finishes and roofing materials in color.
 - 4E: Brief preliminary outline specifications, including structural, mechanical, and electrical systems, types of materials, exterior finishing, and landscaping.
- Exhibit 5: Development costs, budget, and financing plan, including:
- 5A: Development costs (use attached form).
 - 5B: Financing plan (use attached form).
- Exhibit 6: Development schedule (use attached form).
- Exhibit 7: Marketing plan, including:
- 7A: Evidence of demand for types of units proposed.
 - 7B: Narrative statement describing marketing plan.
- Exhibit 8: Developer's Statement for Public Disclosure, HUD 6004 (9-69) Part I (attached).
- Exhibit 9: Developer's Statement of Qualifications and Financial Responsibility, HUD 6004 (9-69) Part II (attached).
- Exhibit 10: Certified financial statement (and interim balance sheet not more than 60 days old if the financial statement predates this submission by more than six months). Financial statements should be included for all members of a joint venture or partnership.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Submitted this _____ day of _____, 1990.

Individual or Corporate Name:

By: _____

Title: _____

EXHIBIT 1 - PROJECT SUMMARY

1. Total number of residential units _____

2. Projected per unit sale price:

\$ _____ Model A, _____ bedrooms, _____ baths.

\$ _____ Model B, _____ bedrooms, _____ baths.

\$ _____ Model C, _____ bedrooms, _____ baths.

3. New construction

<u>Number of Units</u>	<u>Unit Type</u>	<u>No. of Baths</u>	<u>Average Square Feet</u>	<u>No. for low-income households</u>
_____	1-bedroom	_____	_____	_____
_____	2-bedroom	_____	_____	_____
_____	3-bedroom	_____	_____	_____
_____	4-bedroom	_____	_____	_____

Common areas/community facilities/amenities (if any):

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

4. Rehabilitation of existing structure located at 430 T Street (APN 009-113-09) - [all proposals must include a plan for rehabilitation of this structure].

<u>Number of Units</u>	<u>Unit Type</u>	<u>No. of Baths</u>	<u>Average Square Feet</u>	<u>No. for low-income households</u>
_____	1-bedroom	_____	_____	_____
_____	2-bedroom	_____	_____	_____
_____	3-bedroom	_____	_____	_____

Common areas/community facilities/amenities (if any):

5. Total development cost (from Exhibit 5A): \$ _____
- New Construction: \$ _____
- Rehabilitation: \$ _____
(430 "T" Street)
6. Permanent financing
- Developer's equity (minimum 10% TDC) \$ _____
- Conventional loans \$ _____
- Other (specify) \$ _____
7. Proposed land purchase payment \$ _____
Terms/Timing: _____

EXHIBIT 5A: DEVELOPMENT COSTS

<u>1. SUMMARY</u>	<u>New Construction</u>	<u>Rehab (430 T St.)</u>	<u>Total</u>
Number of residential units	_____	_____	_____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Total square footage			
Number of parking spaces			
Total residential development cost	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
Cost per unit	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
Cost per square foot	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

2. CONSTRUCTION COSTS (HARD COSTS)

1. Site preparation	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
2. Basic structures	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
3. Parking			\$ <u> </u>
4. Landscaping			\$ <u> </u>
5. Other Costs (Specify)	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

SUBTOTAL CONSTRUCTION (hard costs)	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
---------------------------------------	--------------------------------	--------------------------------	--------------------------------

3. FEES AND OTHER COSTS (SOFT COSTS)

	New Construction	Rehab (430 T St.)	Total
1. Architectural and engineering	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
2. Legal Fees	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
3. Insurance and bonds	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
4. Construction financing costs including loan fees, points, and construction period interest payments	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
5. Contractor fees	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>
6. Developer overhead	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

7.	Permit and building fees	\$ _____	\$ _____	\$ _____
8.	Contingency	\$ _____	\$ _____	\$ _____
9.	Other Costs (specify)	\$ _____	\$ _____	\$ _____

	SUB-TOTAL SOFT COSTS	\$ _____	\$ _____	\$ _____
4.	PROPOSED LAND PURCHASE PAYMENT			\$ _____
5.	OTHER COSTS (Please Specify)	\$ _____	\$ _____	\$ _____

	SUB-TOTAL OTHER COSTS	\$ _____	\$ _____	\$ _____
	TOTAL DEVELOPMENT COSTS	\$ _____	\$ _____	\$ _____
6.	ESTIMATED CARRYING COSTS			
	\$ _____			

EXHIBIT 5B: FINANCING PLAN

1.	Amount and source(s) of equity (minimum 10% of TDC required, one-half of which must be developer's cash)	\$ _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

2. Construction Loan (Please attach evidence of lender interest in proposed development.)

Lender: _____
Contact: _____
Phone: _____
Address: _____
Terms: _____

3. Permanent Loan(s) (Please attach evidence of lender interest in proposed development.)

Lender: _____
Contact: _____
Phone: _____
Address: _____
Terms: _____

EXHIBIT 6: DEVELOPMENT SCHEDULE

Indicate in months the estimated timeline for development from the effective date of the disposition and development agreement:

Preliminary plans	_____ months
Final construction plans	_____ months
Evidence of financing	_____ months
Start of construction	_____ months
Completion of construction	_____ months
Marketing	_____ months

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PART I

HUD-6004
(9-69)REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE¹

A. REDEVELOPER AND LAND

1. a. Name of Redeveloper:
- b. Address and ZIP Code of Redeveloper:
- c. IRS Number of Redeveloper:
2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

(Name of Local Public Agency)

in _____

(Name of Urban Renewal or Redevelopment Project Area)

in the City of _____, State of _____

is described as follows²

3. If the Redeveloper is not an individual doing business under his own name, the Redeveloper has the status indicated below and is organized or operating under the laws of _____:
 - A corporation.
 - A nonprofit or charitable institution or corporation.
 - A partnership known as _____
 - A business association or a joint venture known as _____
 - A Federal, State, or local government or instrumentality thereof.
 - Other (explain) _____
4. If the Redeveloper is not an individual or a government agency or instrumentality, give date of organization:
5. Names, addresses, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, and investors of the Redeveloper, other than a government agency or instrumentality, are set forth as follows:

¹If space on this form is inadequate for any requested information, it should be furnished on an attached page which is numbered to under the appropriate numbered item on the form.

²Any convenient means of identifying the land (such as block and lot numbers or street boundaries) is sufficient. A description by metes and bounds or other technical description is acceptable, but not required.

- a. If the Redeveloper is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock¹
- b. If the Redeveloper is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.
- c. If the Redeveloper is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.
- d. If the Redeveloper is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.
- e. If the Redeveloper is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

NAME, ADDRESS, AND ZIP CODE

POSITION TITLE (if any) AND PERCENT OF INTEREST OR DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

6. Name, address, and nature and extent of interest of each person or entity (*not named in response to Item 5*) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a computed 10% interest in the Redeveloper (*for example, more than 20% of the stock in a corporation which holds 50% of the stock of the Redeveloper; or more than 50% of the stock in a corporation which holds 20% of the stock of the Redeveloper*):

NAME, ADDRESS, AND ZIP CODE

DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

7. Names (*if not given above*) of officers and directors or trustees of any corporation or firm listed under Item 5 or Item 6 above:

B. RESIDENTIAL REDEVELOPMENT OR REHABILITATION

(The Redeveloper is to furnish the following information, but *only* if land is to be redeveloped or rehabilitated in whole or in part for *residential* purposes.)

¹ If a corporation is required to file periodic reports with the Federal Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, so state under this Item 5. In such case, the information referred to in this Item 5 and in Items 6 and 7 is not required to be furnished.

1. State the Redeveloper's estimates, exclusive of payment for the land, for:

- a. Total cost of any residential redevelopment. \$
- b. Cost per dwelling unit of any residential redevelopment. \$
- c. Total cost of any residential rehabilitation \$
- d. Cost per dwelling unit of any residential rehabilitation \$

2. a. State the Redeveloper's estimate of the average monthly rental (*if to be rented*) or average sale price (*if to be sold*) for each type and size of dwelling unit involved in such redevelopment or rehabilitation:

<u>TYPE AND SIZE OF DWELLING UNIT</u>	<u>ESTIMATED AVERAGE MONTHLY RENTAL</u>	<u>ESTIMATED AVERAGE SALE PRICE</u>
	\$	\$

b. State the utilities and parking facilities, if any, included in the foregoing estimates of rentals;

c. State equipment, such as refrigerators, washing machines, air conditioners, if any, included in the foregoing estimates of sales prices:

CERTIFICATION

I (We) _____
certify that this Redeveloper's Statement for Public Disclosure is true and correct to the best of my (our) knowledge and belief.²

Dated: _____

Dated: _____

Signature

Signature

Title

Title

Address and ZIP Code

Address and ZIP Code

¹ If the Redeveloper is an individual, this statement should be signed by such individual; if a partnership, by one of the partners; if a corporation or other entity, by one of its chief officers having knowledge of the facts required by this statement.

² Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department of the United States.

REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY

(For Confidential Official Use of the Local Public Agency and the Department of Housing and Urban Development. Do Not Transmit to HUD Unless Requested or Item 8b is Answered "Yes.")

1. a. Name of Redeveloper:
- b. Address and ZIP Code of Redeveloper:
2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

_____ (Name of Local Public Agency)

in _____ (Name of Urban Renewal or Redevelopment Project Area)

in the City of _____, State of _____,
is described as follows:

3. Is the Redeveloper a subsidiary of or affiliated with any other corporation or corporations or any other firm or firms? YES NO
If Yes, list each such corporation or firm by name and address, specify its relationship to the Redeveloper, and identify the officers and directors or trustees common to the Redeveloper and such other corporation or firm.
4. a. The financial condition of the Redeveloper, as of _____, 19____, is as reflected in the attached financial statement.
(NOTE: Attach to this statement a certified financial statement showing the assets and the liabilities, including contingent liabilities, fully itemized in accordance with accepted accounting standards and based on a proper audit. If the date of the certified financial statement precedes the date of this submission by more than six months, also attach an interim balance sheet not more than 60 days old.)
b. Name and address of auditor or public accountant who performed the audit on which said financial statement is based:
5. If funds for the development of the land are to be obtained from sources other than the Redeveloper's own funds, a statement of the Redeveloper's plan for financing the acquisition and development of the land:

6. Sources and amount of cash available to Redeveloper to meet equity requirements of the proposed undertaking:

a. In banks:

NAME, ADDRESS, AND ZIP CODE OF BANK

AMOUNT
\$

b. By loans from affiliated or associated corporations or firms:

NAME, ADDRESS, AND ZIP CODE OF SOURCE

AMOUNT
\$

c. By sale of readily salable assets:

DESCRIPTION

MARKET VALUE
\$

MORTGAGES OR LIENS
\$

7. Names and addresses of bank references:

8. a. Has the Redeveloper or (if any) the parent corporation, or any subsidiary or affiliated corporation of the Redeveloper or said parent corporation, or any of the Redeveloper's officers or principal members, shareholders or investors, or other interested parties (as listed in the responses to Items 5, 6, and 7 of the Redeveloper's Statement for Public Disclosure and referred to herein as "principals of the Redeveloper") been adjudged bankrupt, either voluntary or involuntary, within the past 10 years? YES NO

If Yes, give date, place, and under what name.

- b. Has the Redeveloper or anyone referred to above as "principals of the Redeveloper" been indicted for or convicted of any felony within the past 10 years? YES NO

If Yes, give for each case (1) date, (2) charge, (3) place, (4) Court, and (5) action taken. Attach any explanation deemed necessary.

9. a. Undertakings, comparable to the proposed redevelopment work, which have been completed by the Redeveloper or any of the principals of the Redeveloper, including identification and brief description of each project and date of completion:

b. If the Redeveloper or any of the principals of the Redeveloper has ever been an employee, in a supervisory capacity, for construction contractor or builder on undertakings comparable to the proposed redevelopment work, name of such employee, name and address of employer, title of position, and brief description of work:

10. Other federally aided urban renewal projects under Title I of the Housing Act of 1949, as amended, in which the Redeveloper or any of the principals of the Redeveloper is or has been the redeveloper, or a stockholder, officer, director or trustee, or partner of such a redeveloper:

11. If the Redeveloper or a parent corporation, a subsidiary, an affiliate, or a principal of the Redeveloper is to participate in the development of the land as a construction contractor or builder:

a. Name and address of such contractor or builder:

b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? YES NO

If Yes, explain:

c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ _____

General description of such work:

d. Construction contracts or developments now being performed by such contractor or builder:

IDENTIFICATION OF
CONTRACT OR DEVELOPMENT

LOCATION

AMOUNT
\$

DATE TO BE
COMPLETED

e. Outstanding construction-contract bids of such contractor or builder:

AWARDING AGENCY

AMOUNT
\$

DATE OPENED

12. Brief statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the redevelopment of the land, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

13. a. Does any member of the governing body of the Local Public Agency to which the accompanying bid or proposal is being made or any officer or employee of the Local Public Agency who exercises any functions or responsibilities in connection with the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal? YES NO

If Yes, explain.

b. Does any member of the governing body of the locality in which the Urban Renewal Area is situated or any other public official of the locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal? YES NO

If Yes, explain.

14. Statements and other evidence of the Redeveloper's qualifications and financial responsibility (other than the financial statement referred to in Item 4a) are attached hereto and hereby made a part hereof as follows:

CERTIFICATION

I (We)¹ _____
certify that this Redeveloper's Statement of Qualifications and Financial Responsibility and the attached evidence of the Redeveloper's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.²

Dated: _____

Dated: _____

Signature

Signature

Title

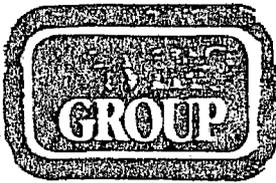
Title

Address and ZIP Code

Address and ZIP Code

¹ If the Redeveloper is a corporation, this statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of the partners; if an entity not having a president and secretary, by one of its chief officers having knowledge of the financial status and qualifications of the Redeveloper.

² Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department,



INDUSTRIAL HYGIENE SERVICES
3190 Old Tunnel Road
Lafayette, CA 94549
415/930-8282

APPENDIX A

October 10, 1988

Handwritten:
Tune Test

Sacramento Housing Authority
429 J Street
Sacramento, CA 95814
Attn: Ken Larson

Re: Environmental survey @ Nine Parcels for Sacramento
Housing & Redevelopment Agency

Dear Mr. Larson:

Enclosed is the report of the environmental survey conducted at
the above designated locations on the week of October 3, 1988.

I believe the report is self explanatory. However, if there are
any questions, or if we can be of any further service, please do
not hesitate to contact me.

Cordially,

Stephen W. Brown

Stephen W. Brown
I.H.



INTRODUCTION

This report covers the environmental survey conducted at nine parcels for the Sacramento Housing & Redevelopment Agency. The purpose of this survey was to evaluate these properties for the presence of hazardous materials. The contact for this survey was Mr. Ken Larson. The survey work was performed during the week of October 3, 1988 by Mr. Steve Brown, Environmental Consultant for EnviroGroup, Lafayette, CA.

EQUIPMENT & STUDY PROCEDURES

The purpose of this survey was to evaluate the parcels for the presence of hazardous materials and prepare a report of the findings. All parcels were visually surveyed by physically walking the grounds and entering all accessible building spaces.

Sixteen bulk samples taken where deemed necessary.

All samples were analyzed by EnviroGroup using the U.S. Environmental Protection Agency (EPA) polarized light Microscopy (PLM) method. See Appendix A for analytical results and locations.

The State of California Governor's Office of Planning Research Document Hazardous Waste and/or Substance Sites List was investigated by address to identify any known sources of hazardous materials which might impact the properties.

DISCUSSION

A detailed physical survey and literature search for potential sources of hazardous materials which may impact the subject properties was conducted for the Sacramento Housing & Redevelopment Agency. The results of this study are as follows:

PARCEL (Location - Calvin Road off Stockton Blvd.)

DESCRIPTION

5.31 acres (no buildings)

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.



PARCEL #009-0113-004

DESCRIPTION

Vacant lot

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.

PARCEL #009-0113-005

DESCRIPTION

Old burnt out house

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

Approximately 130 square feet of asbestos containing floor covering-kitchen area.

PARCEL #009-0113-006

DESCRIPTION

Vacant lot.

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.

PARCEL #009-0113-007

DESCRIPTION

Vacant lot.

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.

PARCEL #009-0113-008

DESCRIPTION

Vacant lot.



HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.

PARCEL #009-0113-009

DESCRIPTION

Yellow two story house corner lot.

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

Approximately 1000 square feet of asbestos containing floor tile (VAT) upstairs.

PARCEL #009-0113-010

DESCRIPTION

Vacant lot.

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

No findings of hazardous materials.

PARCEL #009-0113-011

DESCRIPTION

Pink house bordered by alley.

HAZARDOUS WASTE AND/OR SUBSTANCE SITES LIST SEARCH.

No findings of hazardous material sources.

PHYSICAL SURVEY RESULTS

Approximately 70 square feet of asbestos containing floor covering under back porch area.

SUMMARY OF RESULTS

Asbestos containing materials found during this survey were limited to vinyl asbestos floor covering (VAT). See Appendix A for locations.

A visual survey of the grounds of each parcel revealed no evidence of underground storage tanks. No physical signs of contamination such as stained soil or concrete, vegetation damage, foul or unusual odors, or oily sheens on water or ground surfaces were detected.

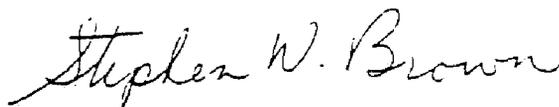


A review of the State of California Governor's Office of Planning and Research Document Hazardous Waste and/or Substance Sites List was investigated by address to identify any known source of hazardous materials. No potential sources of contamination which may impact the subject properties were listed.

CONCLUSION AND ADVISORY

Although the floor coverings found in this survey contain asbestos, they are in a very non-friable state and have been excluded from the California Directors List of Hazardous Materials. If, however, the coverings (VAT) are sanded or sawed they have potential of releasing asbestos fibers. It is recommended that removal of containing VAT be performed using wet techniques in order to reduce the chance of releasing airborne asbestos fibers.

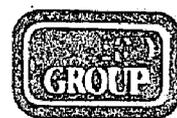
Cordially,

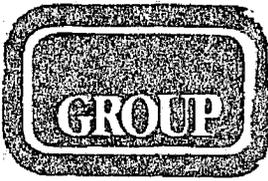


Stephen W. Brown
I.H.



APPENDIX A





INDUSTRIAL HYGIENE SERVICES

3190 Old Tunnel Road
Lafayette, CA 94549
415/930-8282

Sacramento Housing Authority
429 J Street
Sacramento, CA 95814
Attn: Ken Larson

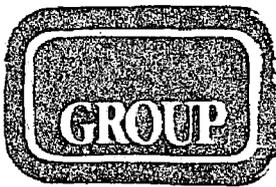
Sample Received: 10/06/88
Report Date: 10/07/88
EnviroGroup No. 880162-2

SAMPLE IDENTIFICATION		ASBESTOS		OTHER COMPONENTS	
ENVIRO #	SAMPLE LOCATION	%	TYPE	%	TYPE
B-4098	Material on wood lath - Parcel #009-0113-008 Burnt down house	<1	none detected	100	quartz, feldspar mica, misc. particles
B-4099	1/4 inch wall & ceiling board Parcel #009-0113-005	<1	none detected	100	quartz, calcite, cellulose, misc. particles
B-4100	Floor covering in kitchen area Parcel #009-113-005	15-20	chrysotile	80-85	cellulose, resin, misc. particles

Analysis by Polarized light microscopy.

George E. Caesar, Jr.
C.I.H.





INDUSTRIAL HYGIENE SERVICES

3190 Old Tunnel Road

Lafayette, CA 94549

415/930-8282

Sacramento Housing Authority
429 J Street
Sacramento, CA 95814
Attn: Ken Larson

Sample Received: 10/06/88

Report Date: 10/07/88

EnviroGroup No. 880162-3

SAMPLE ENVIRO #	IDENTIFICATION SAMPLE LOCATION	ASBESTOS		OTHER COMPONENTS	
		%	TYPE	%	TYPE
B-4101	Attic insulation Parcel #009-0113-011	<1	none detected	100	cellulose, misc. particles
B-4103	Entry floor covering - Parcel #009-0113-011	<1	none detected	100	resin, cellulose, misc. particles
B-4104	Restroom & Hall floor covering Parcel #009-0113-011	<1	none detected	100	resin, cellulose, misc. particles
B-4105	Covered back porch floor covering Parcel #009-0113-011	3-5	chrysotile	95-97	resin, tar, misc. particles
B-4106	Wall insulation (taken from elec. outlet) Parcel #009-0113-011	<1	none detected	100	cellulose, misc. particles
B-4107	Roofing felt Parcel #009-0113-011	<1	none detected	100	tar, resin, misc. particles
B-4108	Spray on ceiling 1st floor Parcel #009-0113-009	<1	none detected	100	quartz, calcite, cellulose, misc. particles
B-4109	Spray on ceiling 1st floor Parcel #009-0113-009	<1	none detected	100	quartz, calcite, cellulose, misc. particles
B-4110	All wall material 1st floor Parcel #009-0113-009	<1	none detected	100	resin, cellulose, misc. particles
B-4111	Floor tile kitchen area Parcel #009-0113-009	<1	none detected	100	resin, cellulose, misc. particles

SAMPLE IDENTIFICATION		ASBESTOS		OTHER COMPONENTS	
ENVIRO #	SAMPLE LOCATION	%	TYPE	%	TYPE
B-4112	Spray on ceiling upstairs approx. 1200 sq' Parcel #009-0113-009	<1 none detected		100	quartz, calcite, misc. particles
B-4113	Floor tile upstairs approx. 1000 sq' Parcel #009-0113-009	3-5	chrysotile	95-97	resin, tar, misc. particles
B-4114	Roofing material Parcel #009-0113-009	<1 none detected		100	resin, tar, misc. particles

Analysis by Polarized light microscopy.

George E. Caesar, Jr.
 George E. Caesar, Jr.
 C.I.H.



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

EXHIBIT B

- (1) Description: Alley lot between 4th & 5th and "T" & "U" Streets
- APN: 009-113-016
- Zoning: R-3A
- Current Use: Occupied by a business, Empire Electrical, Inc., as a preexisting non-conforming use.
- Improvements: A corrugated steel shed structure occupies the entire lot.
- (2) Description: Eleven (11) lots making up the half block North of "T" Street between 4th and 5th Streets.
- APN: 009-054-013, 014, 015, 016, 017, 018, 019, 020, 021, 022, 023
- Zoning: R-3A
- Current Use: Low-density, single and multi-family residential. The block on the North side of "T" Street between 4th and 5th Streets has been described by the City of Sacramento, Preservation Board as the most historically significant block face in the Southside Park area, and the State Office of Historic Preservation has identified this area as an historic district eligible for listing in the National Register of Historic Places. In spite of this designation, the block has been allowed to deteriorate substantially and has been described by area residents as a focal point for drug sales and use.
- Improvements: Six (6) lots are occupied by dilapidated residential structures that are listed by the City Preservation Board as priority buildings. One (1) lot is occupied by a dilapidated residential structure that is listed by the City Preservation Board as a non-supporting building. Four (4) lots are vacant.
- (3) Description: Northwest corner lot at 10th and "T" Streets and the three (3) adjacent lots (two to the North the alley and one to the West on "T" Street).

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

APN: 009-072-009, 010, 011, 012

Zoning: C-2

Current Use: Vacant.

Improvements: None

(4) Description: Southeast corner lot at 5th and "S" Streets and the four (4) adjacent lots (two to the East on "S" Street and two to the South on 5th Street).

APN: 009-056-001, 002, 003, 004, 005

Zoning: R-0

Current Use: Vacant or boarded single-family residential

Improvements: Two (2) lots are vacant, two (2) lots are used as a parking lot and the remaining lot is occupied by a boarded single-family residential structure that is listed by the City Preservation Board as a priority building.

(5) Description: Southwest corner lot at 4th and "S" Streets and the three (3) adjacent lots (one to the West on "S" Street and two to the South on 6th Street).

APN: 009-056009, 010, 011, 012

Zoning: R-0

Current Use: Vacant

Improvements: None

(6) Description: Southwest corner lot at 4th and "U" Streets.

APN: 009-112-011

Zoning: R3A

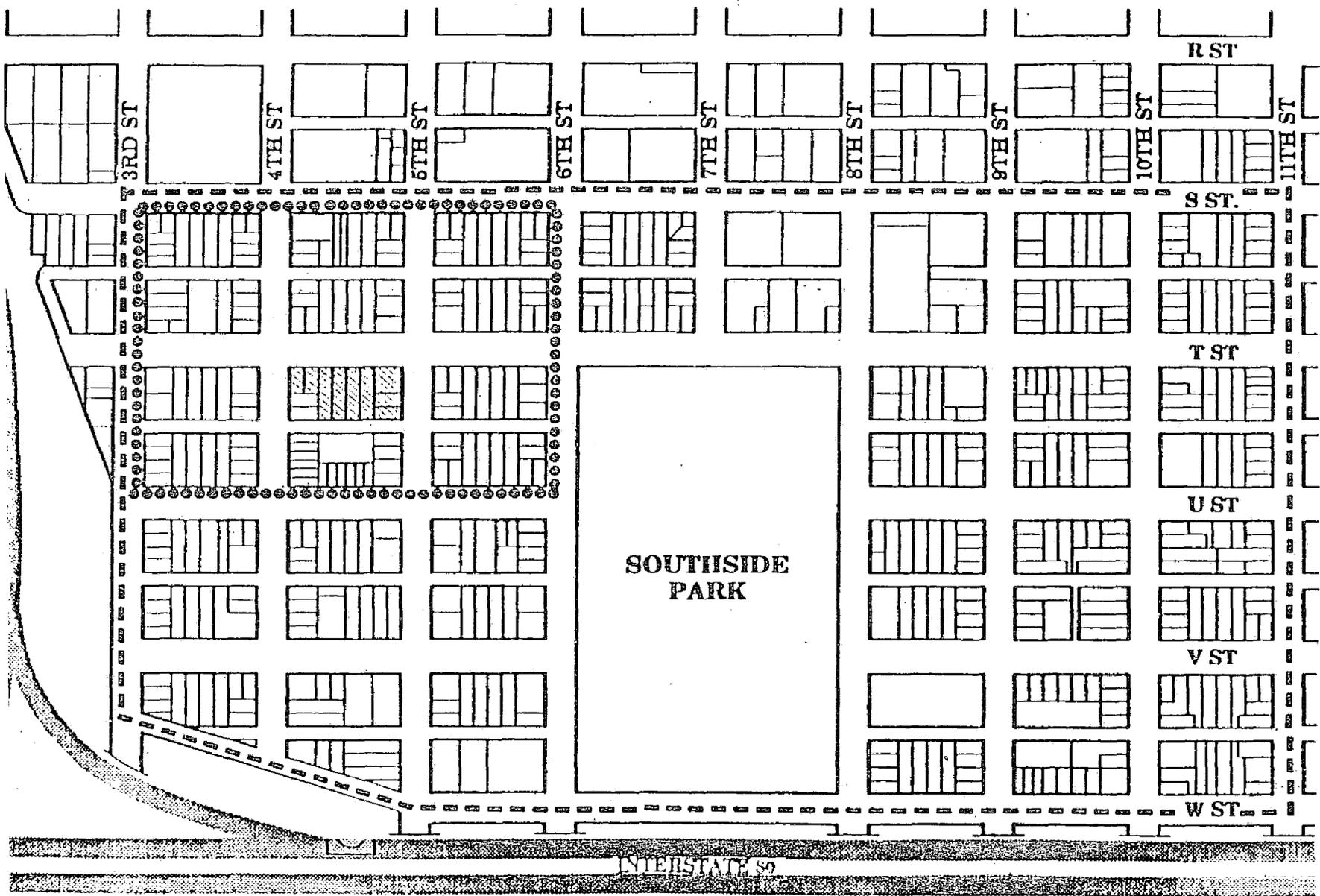
Current Use: Multi-family residential.

Improvements: A dilapidated fourplex that is listed by the City Preservation Board as a retrievable building.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SOUTHSIDE PARK AREA MAP

EXHIBIT C



 Agency 5th & "T" Streets Site

 Neighborhood Preservation Area

 Special Priority Area