

# RESOLUTION NO. 2000-072

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF DEC 12 2000

## MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT AREA: 10<sup>TH</sup> AND K STREETS: APPROVAL OF DISPOSITION AND DEVELOPMENT AGREEMENT

WHEREAS, the Amended Redevelopment Plan for the Merged Downtown Sacramento Redevelopment Project Area ("Project Area") was prepared by the Redevelopment Agency of the City of Sacramento ("Agency") and approved and adopted on June 17, 1986, by Ordinance Nos. 86-063, -064, -065, -066, and -067 of the City Council of the City of Sacramento and subsequently amended ("Redevelopment Plan");

WHEREAS, two of the goals of the Redevelopment Plan for the Project Area are:

- a) To eliminate blighted and blighting conditions; and
- b) To increase and develop economic activity in the area by attracting new business, assisting existing business and enhancing property values;

WHEREAS, the Agency adopted the Merged Downtown Five Year Strategic Plan and Implementation Plan for the Project Area on February 29, 2000;

WHEREAS, the Agency owns certain real property located within the Project Area at 1000 K Street, at the southeast corner of 10<sup>th</sup> and K Streets ("Property");

WHEREAS, pursuant to a promissory note and loan agreement dated August 31, 2000, the Agency borrowed \$2.3 million from the City of Sacramento Marks Roos bond funds to purchase the Property ("City Loan");

WHEREAS, the Merged Downtown Five Year Strategic Plan and Implementation Plan identify the Property as one of the key development catalyst sites, and as having the greatest potential for retail development, and the proposed use of the Property will provide redevelopment benefits similar to retail uses, in that it will promote pedestrian traffic and economic activity in addition to restoring the vacant Property to active use;

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WHEREAS, the Agency and California News Service, Inc. ("Developer") desire to enter into a disposition and development agreement ("DDA"), a copy of which is on file with the Agency Clerk, which DDA would convey a leasehold interest in the Property, and subsequently, a fee interest in the Property, as more specifically described in the DDA; and which would require certain improvements to and within the Property, as further described in the DDA (collectively, "Project").

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The above statements are true and correct.

Section 2: The Project will assist in the elimination of blight in that it will develop an underutilized parcel of real property and will restore the Property to active economic use, serving as a catalyst to promote economic activity in the surrounding area. The DDA shall be deemed an implementing document approved in furtherance of the Redevelopment Plan, the Implementation Plan for the Project Area and all applicable land use plans, studies and strategies..

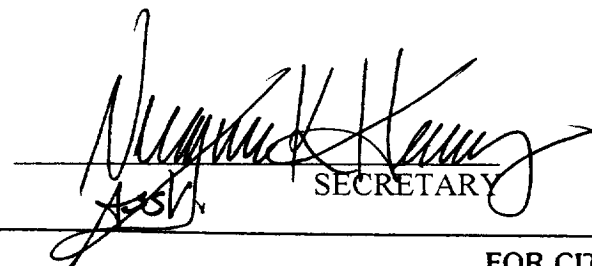
Section 3: The consideration given for the interest conveyed under the DDA is not less than the fair market value.

Section 4: The Agency's policy of requiring performance and payment bonds under a disposition and development agreement is hereby waived for this Project in order to facilitate its cost-effective completion, in that the Agency has adequate security for completion of the Project by retention of ownership of the Property under the DDA and the lease authorized thereunder.

Section 5: The Deputy City Manager is authorized to execute a DDA and lease between the Agency and CNS in substantially the form on file with the Agency Clerk, subject to modification as approved by Agency Counsel, and to execute other documents and take other actions reasonably necessary to implement the DDA.

Section 6: The Deputy City Manager is authorized to take all actions necessary to cause the Agency's repayment of the City Loan, as required by the terms of the City Loan, from Merged Downtown Sacramento Redevelopment Project Area tax increment funds.

  
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CHAIR

  
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SECRETARY

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