

RESOLUTION NO. 2007-023

Adopted by the Redevelopment Agency
of the City of Sacramento

May 8, 2007

THE MARTIN LUTHER KING VILLAGE: APPROVAL OF UP TO \$1,325,000 DEVELOPMENT LOAN WITH 55 YEAR TERM, EXECUTION OF LOAN AGREEMENT, AND RELATED DOCUMENTS WITH MERCY HOUSING CALIFORNIA, A CALIFORNIA NON-PROFIT CORPORATION, OR RELATED ENTITY; RELATED BUDGET AMENDMENT

BACKGROUND

- A. Mercy Housing California has requested a loan of One Million Three Hundred Twenty-Five Thousand Dollars for the Martin Luther King Village Project ("Project") to assist in funding the costs of acquisition and construction of an 80 unit housing project that will include all extremely low-income units.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1. It is determined that the action proposed by this resolution is exempt from environmental review under the Agency's Environmental Review Policies and Procedures, Section 7-3.10, as well as under the California Environmental Quality Act Guidelines Section 15022, and provide that loan funding mechanisms are exempt under Section 15310. An Environmental Assessment was prepared pursuant to 24 CFR Part 58.36, and a Finding of No Significant Impact (FONSI) was made for the Martin Luther King Village project to fulfill NEPA requirements.

Section 2. The Agency Budget is amended to transfer \$1,000,000 from the Franklin Blvd. Tax Increment Housing Set-Aside fund ("TI Funds") and to allocate \$325,000 from Mental Health Services Act ("MHSA") Program to the Martin Luther King Village Project ("Project").

Section 3. The Loan Commitment, attached to and incorporated in this resolution by this reference, for financing the Martin Luther King Village project is approved and the Agency is authorized to execute and transmit the Loan Commitment to Mercy Housing California.

Section 4. Subject to the satisfaction of conditions in the Loan Commitment, the Agency is authorized to prepare and execute all Loan documents required

for making the \$1,325,000 Loan for a term of 55 years, with Mercy Housing California to fund the acquisition and construction of Martin Luther King Village.

Section 5. The Agency is authorized to enter into and execute other documents and perform other actions necessary to fulfill the intent of the staff report that accompanies this resolution, in accordance with their respective terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, extensions and restructuring of payments, all as approved by Agency Counsel.

Section 6. The Agency is authorized to make technical amendments to said agreements and documents with approval of Agency Counsel, which amendments are in accordance with the Loan Commitment, with Agency policy, with this resolution, and with good legal practices for making of such a loan.

Adopted by the City of Sacramento Redevelopment Agency on May 8, 2007 by the following vote:

Ayes: Members Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, and Waters and Chair Fargo.

Noes: None.

Abstain: None.

Absent: None.



Heather Fargo, Chair

Attest:



Shirley Concolino, Secretary