

RESOLUTION NO. 92-015

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF MAR 17, 1992

FINDING OF BENEFIT AND APPROVAL OF LOANS FOR RESIDENTIAL HOTEL NEW CONSTRUCTION ON O STREET BETWEEN 16TH AND 17TH STREETS AND ON L STREET BETWEEN 18TH AND 19TH STREETS

WHEREAS, the Agency desires to utilize Merged Downtown Sacramento Redevelopment Project Area funds for the construction of residential hotels on two sites located in the central city on "O" Street between 16th and 17th Streets and on L Street between 18th and 19th Streets; and

WHEREAS, the new construction will occur in areas adjacent to the Merged Downtown Sacramento Redevelopment Project Area and is a major source of housing for the project area; and

WHEREAS, the new residential hotels will assist in the replacement of 658 single room occupancy (SRO) units lost since 1972 in the Merged Downtown Sacramento Redevelopment Project Area through demolition or conversion to other uses.

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

Section 1. The Agency hereby finds that the foregoing recitals are true and that the use of Merged Downtown Sacramento Redevelopment Project Area funds to expand the supply of residential hotel units in the central city will be of benefit to the Merged Downtown Sacramento Redevelopment Project Area. Specifically the Agency finds that projects and programs set forth in this resolution will increase the number of residential hotel units affordable to low- and very low-income persons and benefit the Merged Downtown Sacramento Redevelopment Project Area.

Section 2. The Executive Director or his designee is authorized to transfer up to \$500,000 in taxable 1990 Tax Allocation Bond funds committed to the Agency's Residential Hotel Construction and Rehabilitation Program in the following manner: \$287,350 from the SRO new construction program and \$212,650 from the SRO rehabilitation program to the taxable SRO leveraging account.

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Section 3. The Executive Director or his designee is authorized to allocate up to \$500,000 in the Single Room Occupancy (SRO) Residential Hotel Construction and Rehabilitation Program, established with Merged Downtown Sacramento Redevelopment Project Area 1990 Tax Allocation Bond (TAB) funds, for the purpose of making leverage loans to assist in the construction of two residential hotels.


Section 4. The Executive Director or his designee is authorized to approve one loan to Hank Fisher Properties for residential hotel new construction at O Street between 16th and 17th streets and one loan to Barone Galasso for residential hotel new construction at L Street between 18th and 19th streets which meet the criteria established in the Single Room Occupancy Residential Hotel Construction and Rehabilitation Program, adopted by City Council on May 22, 1990. Loan amounts shall not exceed the lesser of 5% of total development costs or \$250,000.

Section 5. The Executive Director or his designee is hereby authorized to prepare, execute, and amend loan documents, owner participation agreements, and any other regulatory agreements required under the Agency's Residential Hotel Construction and Rehabilitation Program, as approved by Agency Counsel, for the two residential hotel leverage loans.

Section 6. The Executive Director is hereby authorized to amend the Agency's 1990 Tax Allocation Bond program budget in a manner consistent with the actions cited in Sections 2, 3, 4, and 5 of this Resolution.


CHAIR

ATTEST:


SECRETARY

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