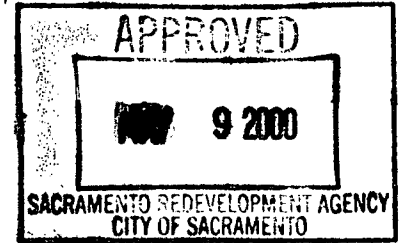
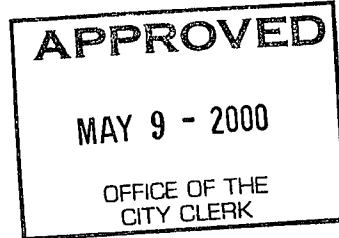




**Sacramento
Housing &
Redevelopment
Agency**

April 19, 2000

6.1



Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: BUDGET ALLOCATION OF 1999 CAPITAL IMPROVEMENT REVENUE BOND

LOCATION & COUNCIL DISTRICT Del Paso Heights, Oak Park and North Sacramento Redevelopment Project Areas; Districts 2 and 5.

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes the Executive Director or designee to amend the 2000 budget of the Sacramento Housing & Redevelopment Agency (SHRA) to transfer \$23,631,663 in previously unallocated bond proceeds from the December 1999 City of Sacramento Capital Improvement Revenue Bond (CIRB) issue to various designated economic development, commercial revitalization, infrastructure and affordable housing development projects in the Del Paso Heights, North Sacramento and Oak Park Redevelopment Project Areas. The funds will be budgeted as follows among the three project areas:

- Del Paso Heights \$ 7,923,077
- North Sacramento \$ 4,027,715
- Oak Park \$11,680,871
- Total \$23,631,663

CONTACT PERSONS

John Dangberg, Director - Community Development, City, 440-1357
Greg Rowe, Redevelopment Manager - Community Development, North, 440-1399, ext. 1232
Jim Hare, Redevelopment Manager - Community Development, South, 440-1399, ext. 1442

FOR COUNCIL MEETING OF May 9, 2000

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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SUMMARY

This report recommends amending the SHRA fiscal year 2000 budget to transfer \$23,631,663 of bond proceeds from the Capital Improvement Revenue Bond (CIRB) issued in December of 1999 to various economic development, commercial revitalization, infrastructure and affordable housing development projects in the Del Paso Heights, North Sacramento and Oak Park Redevelopment project areas. The proposed budget allocations among specific projects in the three redevelopment areas are shown in Tables 2, 3 and 4 (Attachment 1). This action is for budget appropriation purposes only. The appropriate governing boards will review funding for individual projects that exceed the Executive Director's fiscal authority, as detailed plans for such projects are completed.

PAC/RAC/TAC ACTION

Funding of major project and program categories with revenue derived from the 1999 CIRB was approved in the fall of 1999 by the Del Paso Heights Redevelopment Advisory Committee (RAC), and the North Sacramento and Oak Park Project Area Committees (PACs). Since that time the community advisory role of the North Sacramento PAC has been assigned by Council resolution to the Uptown Community Development Corporation (CDC). Below are listed the dates on which the respective advisory committees reviewed and recommended approval of the revised project and program budget categories contained in this report.

Del Paso Heights RAC: At its meeting of April 13, 2000, the Del Paso Heights Redevelopment Advisory Committee adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Block, Langston, Lee, Loree, Mack, Velez-Balay, Wells

NOES: None

ABSTAIN: Covington

ABSENT: Ahkiong, Barnes, Blue, Kinsey, Scoggins, Vue, Whittaker

Oak Park PAC: At its meeting of April 20, 2000 the Oak Park Project Area Committee adopted a motion recommending adoption of the attached resolution. The votes were as follows.

AYES: Aungst, Davis, Hoorazar, Madison, McCalla, Mendoza, Williams, White

NOES: None

ABSENT: Brown, Harris, Johnson, Lampe, Miles, Miller, Parker

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Uptown CDC: The Board of Directors of the Uptown CDC reviewed the revised budget at its meeting on April 6, 2000. Although no vote was taken, the Board was pleased that the North Sacramento bond proceeds greatly exceeded the original projection; there were no objections to the proposed budget allocations.

COMMISSION ACTION

At its meeting of April 19, 2000, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Castello, Cespedes, Dobbins, Harland, Holloway, Newsome, Rotz

NOES: None

ABSENT: Amundson, Burns, Simon

BACKGROUND

The December 1999 CIRB raised \$27,289,817 in revenue for the three redevelopment areas, as shown in Table 1. Previous staff reports in 1999 and 2000 have already allocated \$3,030,510 from the CIRB to specific projects in the three redevelopment areas.

Table 1
Summary of Available Project Funds
December 1999 Capital Improvement Revenue Bond

	Del Paso Heights	North Sacramento	Oak Park	Totals
Total Bond Proceeds	\$10,283,967	\$ 4,655,359	\$12,350,491*	\$27,289,817
Internal Loan Payments*	N/A	(\$ 627,644)	N/A	(\$ 627,644)
Previous Budget Transfers**	(\$ 2,360,890)	N/A	(\$ 669,620)	(\$ 3,030,510)
Total to be Transferred to Projects	\$ 7,923,077	\$ 4,027,715	\$ 11,680,871	\$23,631,663

* See Table 4; includes \$651,130 loan repayment from Richards Blvd. Project Area

** See Attachment 1 for details

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency
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In anticipation of the bond issue, in the fall of 1999 SHRA staff consulted with the Del Paso Heights Redevelopment Advisory Committee (RAC), the North Sacramento Project Area Committee (PAC), and the Oak Park PAC. Agreement was reached on visions, goals and proposed bond revenue budget allocations among major projects and programs. This process was based on the bond revenue assumptions at that time. The bond sale, however, was not concluded until early December. Because of the improved economy, actual bond revenue was substantially higher than the original forecast.

Since that time, staff, in cooperation with the RACs and PACs, have re-evaluated and made adjustments to the proposed budget allocations resulting in the recommendations contained in this report. This report represents an opportunity for the public and your board to review and approve the general outline and direction of redevelopment in the three redevelopment areas. Approval by the Redevelopment Agency will provide your staff with a fiscal directive to proceed in developing specific plans and projects to carry out your goals for the respective redevelopment areas.

FINANCIAL CONSIDERATIONS

The action recommended in this report will amend the SHRA 2000 budget by transferring \$23,631,663 in bond proceeds from the 1999 CIRB to major project and program budget categories. See Attachment 1 for details. Please note that the Agency budget amendments proposed in this report do not correspond in all respects with the proposed City of Sacramento *2000 - 2004 Capital Improvement Budget*. Differences between the two documents are due to the fact that the capital improvement budget only contains specific capital projects, whereas the redevelopment bond proceeds proposed for budgeting in this report include housing programs, planning activities, and economic development activities.

POLICY CONSIDERATIONS

The recommended action in this report is consistent with the economic development, commercial revitalization and affordable housing development goals and policies contained in the respective redevelopment plans for the three project areas, in addition to the 2000 - 2004 *Redevelopment Implementation Plan* approved by the Redevelopment Agency on February 29, 2000.

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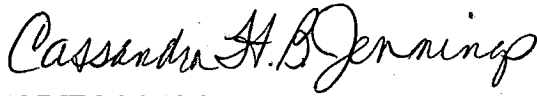
ENVIRONMENTAL REVIEW

The proposed action is for budgeting purposes only, and does not commit the Agency to a definite course of action on specific projects because they are expressly made contingent on CEQA compliance prior to approval of a DDA, IPA or City entitlement per Agency and City environmental procedures. No further environmental determination is required at this time. NEPA does not apply.

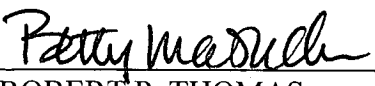
M/WBE CONSIDERATIONS

There are no M/WBE considerations associated with this action.

Respectfully submitted,


for ANNE M. MOORE
Executive Director

Transmittal approved,


ROBERT P. THOMAS
City Manager

Summary of Proposed Major Project and Program Budget Categories
1999 City of Sacramento Capital Improvement Revenue Bond (CIRB)

T = taxable bond proceeds

Table 2 - Proposed Budget Allocation
Del Paso Heights Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Town Center Strategy (Marysville Blvd. & Grand Ave.)	\$ 1,160,000	Site acquisition, demolition, consolidation and pre-development activities.
Public Improvement Projects	\$ 3,403,077	Implement Marysville Boulevard Urban Design Plan; Grant High School Facility Improvements; other projects to be determined.
Housing Development	\$ 2,200,000	Del Paso Nuevo.
Development Assistance (T)	\$ 860,000	Includes: (1) \$560,000 for development assistance including loans to private entities for: land acquisition, entitlements, toxic remediation, site clearance, relocation, and off-site improvements; (2) \$300,000 for Commercial Loan Program, which provides financing for construction loans.
Exterior Rebate Program	\$ 300,000	Grants up to \$50,000 (\$75,000 for catalyst sites).
Total Funds to be Allocated	\$ 7,923,077	
Funds Previously Allocated	\$ 2,360,890	Urban League Workforce Development Center (\$1,500,000), MAN Neighborhood Central (\$570,000), Marysville Blvd. Urban Design Plan Implementation, Phase I & II (\$290,890).
Total Bond Proceeds	\$10,283,967	

Table 3 - Proposed Budget Allocation
North Sacramento Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Public Facilities & Infrastructure	\$ 1,737,715	Del Paso Blvd. streetscape improvements, park acquisition & expansion, tot lot, neighborhood community facilities, Dixieanne lighting
Housing Development	\$ 900,000	Lexington housing replacement, housing development assistance, First Time Home Buyer Program, Boarded & Vacant Program, Dixieanne Action Plan Initiatives.
Development Assistance	\$ 800,000	Development assistance to private entities including loans for: site preparation, land acquisition, entitlements, toxic remediation, site clearance, relocation, off-site improvements.
Commercial Loan Program (T)	\$ 330,000	Financing for construction loans.
Exterior Rebate Program	\$ 260,000	Grants up to \$50,000 (\$75,000 for catalyst sites)
Total Funds to be Allocated	\$ 4,027,715	
Internal Loan Repayment	627,644	Loan Repayment to Merged Downtown Project Area
Total Bond Proceeds	\$ 4,655,359	

Table 4 - Proposed Budget Allocation
Oak Park Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Commercial Acquisition*	\$ 1,300,000	Purchase land and improvements for commercial development; potentially write-downs to stimulate future development.
Development Assistance**	\$ 2,050,848	Development assistance to private entities including loans for: site preparation, land acquisition, entitlements, toxic remediation, site clearance, relocation and off-site improvements.
Oak Park Public Facilities	\$ 600,000	Expand and rehab Community Center, build new child care facilities, improvements to stage and restrooms at McClatchy Park, Mini-Library feasibility study.
Housing Development (20% set-aside)	\$ 2,500,000	Housing development assistance, site acquisition, Neighborhood Housing Services, First Time Home Buyer Program, Board & Vacant Program.
Housing Development Augmentation	\$ 1,000,000	Additional funding for housing programs.
Broadway/Stockton Master Plan	\$ 1,830,000	Streetscape plan, parking study; construction of new parking lots, on-street parking, and streetscape improvements including streetlights, landscaping, medians and sidewalks.
Exterior Rebate Program	\$ 519,432	Grants up to \$50,000 (\$75,000 for catalyst sites).
Commercial Loan Program (T)	\$ 1,079,461	Loans for interior rehabilitation of commercial structures.
Historic District	\$ 150,000	Consulting fees for preparation and adoption of historic district & guidelines.
*Internal Loan Repayment; Commercial Acquisition	\$ 200,000	Loan Repayment from Richards Blvd. Project Area
**Internal Loan Repayment; Development Assistance	\$ 451,130	Loan Repayment from Richards Blvd. Project Area
Total Funds to be Allocated	\$11,680,871	
Funds Previously Allocated	\$ 669,620	Funds previously allocated to Woodruff Hotel/Guild Theatre.
Total Bond Proceeds	\$12,350,491	

RESOLUTION NO. 2000-025

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF



**AUTHORIZING THE EXECUTIVE DIRECTOR OF THE
SACRAMENTO HOUSING & REDEVELOPMENT AGENCY
TO TRANSFER \$23,631,663 IN PREVIOUSLY UNALLOCATED REVENUE
DERIVED FROM THE DECEMBER 1999 CITY OF SACRAMENTO
CAPITAL IMPROVEMENT REVENUE BOND (CIRB) TO THE BUDGETS
OF THE DEL PASO HEIGHTS, NORTH SACRAMENTO AND OAK PARK
REDEVELOPMENT PROJECT AREAS**

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

Section 1. A Capital Improvement Revenue Bond (CIRB) was issued in December 1999 by the City of Sacramento, which raised \$27,289,817 in revenue for the Del Paso Heights, North Sacramento and Oak Park Redevelopment Project Areas, as follows:

Del Paso Heights	\$ 10,283,967
North Sacramento	\$ 4,655,359
Oak Park	\$ 12,350,491
<u>TOTAL</u>	<u>\$ 27,289,817</u>

Section 2. Previous staff reports have allocated \$3,030,510 collectively in the Del Paso Heights and Oak Park areas, and a \$627,644 loan repayment by the North Sacramento Project Area to the Merged Downtown Project Area.

Section 3. The Executive Director is authorized to amend the Agency budget by transferring the remaining unallocated \$23,631,663 in CIRB bond proceeds to the general categories of projects and programs shown in Tables 1, 2 and 3 below.

Major Project and Program Budget Categories
1999 City of Sacramento Capital Improvement Revenue Bond (CIRB)
T = taxable bond proceeds

Table 1 - Proposed Budget Allocation
Del Paso Heights Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Town Center Strategy (Marysville Blvd. & Grand Ave.)	\$ 1,160,000	Site acquisition, consolidation and pre-development activities.

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DATE ADOPTED: _____

Project Title	Budget	Components
Public Improvement Projects	\$ 3,403,077	Implement Marysville Boulevard Urban Design Plan; Grant High School Facility Improvements, other projects to be determined.
Housing Development	\$ 2,200,000	Del Paso Nuevo.
Development Assistance (T)	\$ 860,000	Includes: (1) \$560,000 for development site preparation, including: land acquisition, loans, entitlements, toxic remediation, site clearance, relocation, and off-site improvements; (2) \$300,000 for Commercial Loan Program, which provides financing for construction loans.
Exterior Rebate Program	\$ 300,000	Grants up to \$50,000 (\$75,000 for catalyst sites).
Total Funds to be Allocated	\$ 7,923,077	
Funds Previously Allocated	\$ 2,360,890	Urban League Workforce Development Center (\$1,500,000), MAN Neighborhood Central (\$570,000), Marysville Blvd. Urban Design Plan Implementation, Phase I & II (\$290,890).
Total Bond Proceeds	\$ 10,283,967	

Table 2 - Proposed Budget Allocation
North Sacramento Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Public Facilities & Infrastructure	\$ 1,737,715	Del Paso Blvd. streetscape improvements, park acquisition & expansion, tot lot, neighborhood community facilities, Dixieanne lighting
Housing Development	\$ 900,000	Lexington housing replacement, housing development assistance, First Time Home Buyer Program, Boarded & Vacant Program, Dixieanne Action Plan Initiatives.
Development Assistance	\$ 800,000	Development site preparation, including: land acquisition, loans, entitlements, toxic remediation, site clearance, relocation, off-site improvements.
Commercial Loan Program (T)	\$ 330,000	Financing for construction loans.
Exterior Rebate Program	\$ 260,000	Grants up to \$50,000 (\$75,000 for catalyst sites)
Total Bond Proceeds	\$ 4,027,715	
Total Funds to be Allocated	\$ 4,027,715	

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DATE ADOPTED: _____ (9)

Table 3 - Proposed Budget Allocation
Oak Park Redevelopment Project Area
1999 Capital Improvement Revenue Bond Revenue

Project Title	Budget	Components
Commercial Acquisition	\$ 1,500,000	Purchase land and improvements for commercial development; potentially write-downs to stimulate future development.
Development Assistance	\$ 2,501,978	Development site preparation, including: land acquisition, loans, entitlements, toxic remediation, site clearance, relocation, off-site improvements.
Oak Park Public Facilities	\$ 600,000	Expand and rehab Community Center, build new child care facilities, improvements to stage and restrooms at McClatchy Park, Mini-Library feasibility study.
Housing Development (20% set-aside)	\$ 2,500,000	Housing developers assistance, site acquisition, Neighborhood Housing Services, First Time Home Buyer Program, Board & Vacant Program.
Housing Development Augmentation	\$ 1,000,000	Additional funding for housing programs.
Broadway/Stockton Master Plan	\$ 1,830,000	Streetscape plan, parking study; construction of new parking lots, on-street parking, and streetscape improvements including streetlights, landscaping, medians and sidewalks.
Exterior Rebate Program	\$ 519,432	Grants up to \$50,000 (\$75,000 for catalyst sites).
Commercial Loan Program (T)	\$ 1,079,461	Loans for interior rehabilitation of commercial structures.
Historic District	\$ 150,000	Consulting fees for preparation and adoption of historic district & guidelines.
Total Funds to be Allocated	\$ 11,680,871	
Funds Previously Allocated	\$ 669,620	Funds previously allocated to Woodruff Hotel/Guild Theatre
Total Bond Revenue	\$ 12,350,491	

CHAIR

ATTEST:

SECRETARY

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DATE ADOPTED: _____