



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



8

October 16, 1990

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

Honorable Members in Session:

SUBJECT: Purchase of Site in North Sacramento for Potential
Use as an Innovative Housing Proposal

SUMMARY

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

RECOMMENDATION

The staff recommends approval of the attached resolutions approving the purchase.

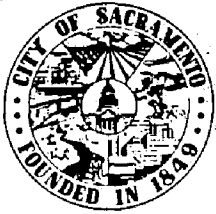
Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

SOLON WISHAM, JR.
Assistant City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



October 23, 1990

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Purchase of Site in North Sacramento for Potential Use as
an Innovative Housing Proposal

SUMMARY

This report recommends purchase of a 1.185 acre site at 58 Arden Way (see attached map) for potential use as a site for innovative housing.

BACKGROUND

Over the years we have received numerous inquiries regarding sites where innovative housing proposals might be undertaken. Co-housing, replacement trailer parks, modular and experimental housing are but a few. Another example is in the arts community. Several recent studies, including the Downtown Cultural-Entertainment District needs analysis and the Richards Boulevard Redevelopment Plan, identified the need for artists live/work space within the City of Sacramento. Several leaders among the local art community have expressed an interest in working with the Agency to develop this type of space.

The idea occurred to us that an innovative housing development might provide an advance boost to the redevelopment of North Sacramento. The area we surveyed is in a section of North Sacramento which, we believe, would certainly be geographically located within virtually any version of the eventual North Sacramento Redevelopment Project Area which might be selected. The area is just off of Del Paso Boulevard's light rail line and adjacent to the Arden/Garden Connector alignment. The site is accessible, yet still very affordable. The 1.185 acres is about the right size for a development of this type, and the 18,000 square foot warehouse type structure located on it could be used for work space and/or displays. The area is part of a special planning area with a mix of uses permissible for eventual development.

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City of Sacramento
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The purpose of the purchase would be to hold the site while we put together a plan for defining and developing an innovative proposal. An abbreviated RFP process is envisioned, giving all local housing groups along with interested investor/developers, a chance to participate. We will report back with an RFP process.

If after one year's time it is impossible to bring together a proposal, the Agency will either come forward with its own housing or mixed use development proposal for the project site or re-market it for appropriate commercial usage.

FINANCIAL DATA

The proposed purchase price is \$260,000, subject to an appraisal which substantiates that value. Terms are \$50,000 down with the owner taking back a \$210,000 loan at 10% percent interest only for three (3) years. The site must be delivered toxic free. Initial funding will be taken from housing reserves with annualized interest costs contained in the 1991 and subsequent budgets. Our goal will be to resell the property prior to the loan expiration date.

POLICY IMPLICATIONS

Investment in North Sacramento is not a new policy for the Agency. We have already made 47 commercial rehabilitation loans and grants along Del Paso Boulevard and several housing rehabilitation loans in that area. This continues that investment in anticipation of future redevelopment designation.

The Agency has also taken numerous steps toward innovative housing over the years. No new policy issues are therefore involved here.

MBE/WBE

Maximum emphasis on MBE/WBE will be provided in the RFP process.

VOTE AND RECOMMENDATION OF COMMISSION

It is anticipated that at its meeting of October 15, 1990, the Sacramento Housing and Redevelopment Commission will adopt a motion recommending you take the above-mentioned action. In the event they fail to do so, you will be advised prior to your October 16, 1990 meeting.

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City of Sacramento
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RECOMMENDATION

The staff recommends adoption of the attached resolution authorizing the Agency to purchase the property at 58 Arden Way.

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE, City Manager

Contact Person: John E. Molloy, 440-1333

Staff.rpt/Arts

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

ACQUISITION OF REAL PROPERTY AT 58 ARDEN WAY

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

Section 1: The Executive Director is hereby authorized to enter into an agreement to purchase the real property located at 58 Arden Way on the terms set forth in the staff report for this Resolution, and to execute any and all documents necessary to complete the acquisition of said real property.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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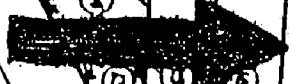
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