

RESOLUTION NO. 2011-133

Adopted by the Sacramento City Council

March 8, 2011

APPROVING A FIVE-YEAR LEASE AGREEMENT FOR INTERIM USE OF PROPERTY BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO AND THE VOLUNTEERS OF AMERICA AND RELATED FINDINGS

BACKGROUND

- A. The Volunteers of America ("VOA") is a nonprofit organization that provides human service programs, including housing and healthcare, to vulnerable groups, including at-risk youth, families, homeless individuals and families and people with disabilities.
- B. The lease agreement between the Redevelopment Agency of the City of Sacramento and the Volunteers of America for 470 Bannon Street expired on December 31, 2010 and has continued on a month-to-month tenancy until a new lease could be executed.
- C. VOA currently operates a family shelter at 470 Bannon Street, providing shelter and social services, including meals, permanent housing referrals and education and job-search information to 62 individuals; parents and their children.
- D. VOA proposes installing a playground at 470 Bannon Street for which they will assume all liability and costs.
- E. The proposed actions recommended in this report are consistent with the River District 2009-2014 Implementation Plan Goals to eliminate blight and, and in the short-term enhance community facilities, provide housing for families and allow for the provision of supportive services.
- F. The proposed action to execute a lease is Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15301. The addition of a playground is considered new construction of accessory structures, which is Categorically Exempt pursuant to CEQA Guidelines Section 15303. There is no federal funding or any other federal action involved with this action; therefore, the National Environmental Policy Act (NEPA) does not apply.
- G. The Redevelopment Agency of the City of Sacramento desires to enter into a Lease Agreement with the VOA to continue to provide shelter and social services, including meals, permanent housing referrals and education and job-search information to up to 62 individuals and to ensure appropriate use and maintenance of the facility for the term of the agreement. Further, the proposed lease assists in the elimination of blight by maintaining an otherwise vacant building tenantable and in good repair.
- H. Proper notice of this action has been given and a public hearing was held on March 8, 2011 in accordance with Health and Safety Code Sections 33431 and 33433.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

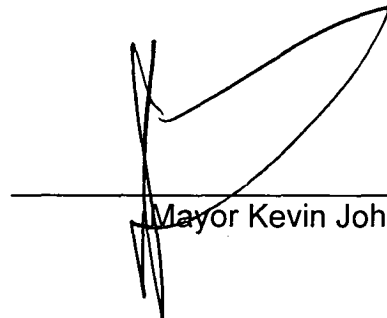
- Section 1. After due consideration of the facts presented, the above recitals in the Background, including the environmental recitals, are found to true and accurate.
- Section 2. The five-year Lease Agreement for interim use of the 470 Bannon Street property by and between the Redevelopment Agency of the City of Sacramento and the Volunteers of America is approved by the City Council.
- Section 3. The Report as required under Health and Safety Code Section 33433 is hereby approved.

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Exhibit A: Health and Safety Code Section 33433

Adopted by the City of Sacramento City Council on March 8, 2011 by the following vote:

- Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy, and Mayor Johnson.
- Noes: None.
- Abstain: None.
- Absent: None.



Mayor Kevin Johnson

Attest:



Shirley Concolino, City Clerk

470 Bannon Street Lease Agreement - Report Regarding the Lease of Property Acquired Directly or Indirectly with Tax Increment Funds (Health & Safety Code Section 33433)

I. Agreement

A copy of the Lease Agreement ("Agreement") disposing of an interest in Agency real property is attached to this Report.

II. Summary of Terms of Disposition

AGENCY'S COST OF ACQUIRING THE LAND	
Purchase Price (or Lease Payments Payable During Agreement)	\$ 5.00
Commissions	NA
Closing Costs	NA
Relocation Costs	NA
Land Clearance Costs	NA
Financing Costs	NA
Improvement Costs (e.g. utilities or foundations added)	NA
Other Costs	NA
TOTAL	\$ 5.00
ESTIMATED VALUE OF INTEREST CONVEYED/EXPLANATION OF DISPOSITION FOR LESS THAN FULL VALUE	
The current use is interim. As of the most recent appraisal (2002), the property value based on similarly zoned property; M-2 Heavy Industrial, is estimated at \$370,000. Due to the location, lack of infrastructure, shape and size, the parcel has a diminished current assessed value. The parcel is proposed to be developed along with adjacent properties at a later date. Site will be assessed with adjacent properties when a project is determined.	\$ 370,000
ESTIMATED REUSE VALUE OF INTEREST CONVEYED/ Elimination of Blight	
Value of property determined with consideration of the restrictions and development costs imposed by the Agreement. The project will assist in eliminating the blighting influences created by the said property by providing maintenance, security and improving health quality.	\$ 5.00
VALUE RECEIVED ON DISPOSITION	
The purchase price or the total of the lease payments due to the Agency under the Agreement	\$ 5.00