

2004-061

RESOLUTION NO. _____

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF NOV 30 2004

**APPROVAL OF DISPOSITION AND DEVELOPMENT AGREEMENT
WITH 4TH AVENUE LOFTS, LLC
FOR DEVELOPMENT OF THE 4TH AVENUE LOFTS PROJECT AT 3516 4TH AVENUE**

WHEREAS, the Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Oak Park Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for Oak Park Project Area ("Project Area");

WHEREAS, Agency owns certain real property generally described as the 4th Avenue Development Site at 3516 4th Avenue (013-01473-033, -034, -035 and -036) ("Property") in the Project Area, which was acquired with tax increment funds;

WHEREAS, Agency and 4th Avenue Lofts, LLC ("Developer") desire to enter into Disposition and Development Agreement ("DDA") to convey the Property to Developer for construction of ten single family, loft homes to be sold to purchasers; as more specifically described in the DDA, and which would require the improvements within the Property, as further described in the DDA (collectively, "Project");

WHEREAS, a copy of the DDA is on file with the Agency Clerk;

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA") and its implementing regulations, the sale of the Property and the Project are exempt under the CEQA Guidelines for the reasons set out in the staff report that accompanies this resolution;

WHEREAS, a report under Health and Safety Code Section 33433 ("Section 33343 Report") has been prepared, filed with the Agency Clerk, and made available for public review 33433; and

WHEREAS, proper notice of this action has been given and a public hearing has been held in accordance with Health and Safety Code Sections 33431 and

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

Section 1. The Executive Director is directed to prepare a Notice of Exemption for the sale of the Property for the Project based on the findings in the accompanying staff report in accordance with CEQA Guidelines Section 15062.

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Section 2. The sale of the Property and construction of the Project is consistent with the goals and objectives of the Redevelopment Plan to promote homeownership and new construction of housing on vacant lots, and is consistent with the Implementation. The Project will assist in the elimination of blight as stated in the 33433 Report. The DDA shall be deemed an implementing document approved in furtherance of the Redevelopment Plan and Implementation Plan for the Project Area, and all applicable land use plan, studies, and strategies.

Section 3. The Report as required under Health and Safety Code Section 33433 is hereby approved.

Section 4. The consideration for the Agency's conveyance of the Property to Developer is \$1, which is not less than the fair reuse value of the Property at the use and with the covenants, conditions, restrictions required by the DDA and the related Regulatory Agreement and Grant Deed.

Section 5. The Executive Director is authorized to amend the Agency budget to transfer \$254,906 of the tax-exempt portion of Housing Development funds from the Oak Park 1999 Capital Improvement Revenue Bond and \$724,514 of Development Assistance funds from Oak Park Tax Increment funds (non-bond), for a total of \$979,420, to the 4th Avenue Lofts Project

Section 6. The Disposition and Development Agreement is approved and the Executive Director is authorized to execute the DDA, Grant Deed, Regulatory Agreement, Escrow Instructions and related conveyance documents, and to perform other actions as necessary to implement the terms of the DDA, including a \$979,420 conditional loan to the Developer. In accordance with Health and Safety Code Section 33334.14, the Regulatory Agreement containing covenants imposed by the DDA may be subordinated to the lien or encumbrance of the Developer's lender.

HEATHER PARGO

CHAIR

ATTEST:

SHIRLEY CONCOLINO

SECRETARY

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