

RESOLUTION NO. 92-057

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF JUN 30 1992

CERTIFICATION OF NEGATIVE DECLARATION AND VARIOUS MATTERS REGARDING SHASTA HOTEL STATE HISTORIC BUILDING CODE REHABILITATION

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

Section 1: The environmental documentation and the Mitigation Monitoring Plan for the Shasta and Argus Hotels project ("Shasta Project") Rehabilitation Alternative with Consideration of the State Historic Building Code ("SHBC") is adequate and complete, and the Negative Declaration is appropriate.

Section 2: The Environmental Coordinator of the Sacramento Housing and Redevelopment Agency is directed to file a Notice of Determination with the County Clerk of Sacramento County pursuant to the provisions of Section 15075 of Title 14 of the California Code of Regulations.

Section 3: The preliminary designs for the Shasta Project SHBC rehabilitation plan alternative as prepared by the architectural firm of Voinovich California are accepted and the architects directed to prepare final plans and specifications in accordance with these designs.

Section 4: A total development budget of \$6,523,870 (including acquisition, hard, soft and contingency costs) is approved for the Shasta Project SHBC rehabilitation plan.

Section 5: The Agency's budget is amended to transfer an additional \$2,740,070 in taxable 1990 Tax Allocation Bond proceeds from the following sources to the Shasta Acquisition Taxable Fund:

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RESOLUTION NO.: 92-057
DATE ADOPTED: JUN 30 1992

- (a) \$2,720,200 previously appropriated to the Single Room Occupancy Rehabilitation Program; and
- (b) \$19,870 previously appropriated to the Single Room Occupancy Leverage Loan Program.

These monies shall be used as construction and/or permanent financing for the Shasta Project SHBC rehabilitation plan, for a total of \$4,523,870 allocated to the Shasta Project.

Section 6: The Executive Director or his designee is authorized to apply for an extension of the \$2 million loan commitment from the California Housing Rehabilitation Program and, if a federal Low-Income Housing Tax Credit reservation is received, to assign all its interests in that loan to the entity established pursuant to Section 12 below.

Section 7: The Executive Director or his designee is authorized to solicit bids for interior building demolition, to execute a contract with the lowest responsive and responsible bidder in a form approved by Agency Counsel, and to approve change orders for such contract without restriction for an aggregate amount not to exceed 15% of the contract.

Section 8: The Executive Director or his designee is authorized to execute Regulatory Agreements and all other necessary documents for the Shasta Project SHBC rehabilitation plan in form approved by Agency Counsel.

Section 9: The Executive Director or his designee is authorized to solicit bids for the Shasta Project SHBC rehabilitation plan upon finding that the final plans and specifications do not differ substantially from the approved preliminary design.

Section 10: The Executive Director or his designee is authorized to execute a construction contract, in a form approved by Agency Counsel, with the lowest responsive and responsible bidder for the Shasta Project SHBC rehabilitation plan provided that the Executive Director determines that the aggregate amount of the low bid and a reasonable estimate of other hard and soft construction costs and reserves do not exceed the approved construction budget.

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Section 11: Following execution of a construction contract, the Executive Director or his designee is authorized to execute change orders, without restriction, for aggregate amounts not to exceed 15% of the construction contract, and not to exceed the construction budget. The aggregate amounts of all construction costs of the project shall not exceed the construction budget.

Section 12: The Executive Director or his designee is authorized to execute a deed for the transfer of the Agency's interest in the Shasta and Argus Hotels to the Housing Authority of the City of Sacramento.

Section 13: The Executive Director or his designee is authorized to take steps necessary to establish the legal entities necessary under applicable laws to own the Shasta and Argus Hotels, which entities may include a California Limited Partnership and a new nonprofit corporation to serve as its managing general partner, if a federal Low-Income Housing Tax Credit reservation is received.

Section 14: The Executive Director or his designee is authorized to negotiate and execute a contract with the entities established in Section 12 above for the Agency to provide staff services for the development of the project, if a federal Low-Income Housing Tax Credit reservation is received.

Section 15: The Executive Director or his designee is authorized to apply for a reservation of Low-Income Housing Tax Credits for the Shasta Project SHBC rehabilitation plan, to accept the preliminary reservation from the California Tax Credit Allocation Committee (TCAC), to assign the reservation to any subsequent ownership entity for the Shasta and Argus Hotels established by the Executive Director pursuant to Section 12 above, and to apply to TCAC for time extensions as necessary to reasonably accommodate the project's construction schedule.

Section 16: The Executive Director or his designee is authorized to execute a loan agreement and any other necessary documents and take other actions as necessary to provide a loan not to exceed \$4,523,070 to the entity established pursuant to Section 12 above, if a federal Low-Income Housing Tax Credit reservation is received. The loan shall be secured by a deed of trust for a period not to exceed 30 years, provide for an interest rate not less than 3% nor greater than 10% per annum, and be in a form approved by Agency Counsel.

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92-057

RESOLUTION NO.: JUN 30 1992

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Section 17: The Executive Director or his designee is authorized to prepare applications to conventional lenders for interim and permanent financing as deemed necessary and to guarantee, as necessary, such loans made to the entity established pursuant to Section 12 above, and to execute all reasonable and related documents on behalf of the Agency, if a federal Low-Income Housing Tax Credit reservation is received.

Section 18: The Executive Director or his designee is authorized to execute documents as necessary to subordinate all Redevelopment Agency loans to the entity established pursuant to Section 12 above to loans from construction and permanent lenders, if a federal Low-Income Housing Tax Credit reservation is received.

Caro Rudin
CHAIR

ATTEST:

Therese A. Burrows
SECRETARY

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