

RESOLUTION NO. 2006-933

Adopted by the Sacramento City Council

December 12, 2006

APPROVING A PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS FOR ACQUISITION OF THE INTERMODAL TRANSPORTATION FACILITY SITE

BACKGROUND

- A. S. Thomas Enterprises of Sacramento, LLC is in escrow to buy the Sacramento Railyards property from the Union Pacific Railroad.
- B. The City of Sacramento has identified the Sacramento Valley Station-Intermodal Transportation Facility as its number one priority capital improvement project
- C. S. Thomas Enterprises of Sacramento, LLC wants a financial commitment from the City to purchase the Intermodal site and to relocate the existing rail line prior to closing escrow on their purchase of the Railyards property.
- D. S. Thomas Enterprises of Sacramento, LLC has agreed to negotiate shared funding for infrastructure and phased construction over the life of the development project consistent with the Memorandum of Understanding with Millennia Associates (Agreement 2003-176-1).
- E. Acquisition of Parcel A is exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15300 and 15301 because the facility on Parcel A is an existing use and the City is not expanding the use of the existing facility.
- F. Acquisition of Parcel B and the related development of the Intermodal Transportation Facility (ITF) is not exempt from provisions of CEQA and would require environmental review prior to its acquisition.

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

- Section 1. The City Manager is hereby authorized to execute the Purchase and Sale Agreement and Joint Escrow Instructions Agreement with S. Thomas Enterprises of Sacramento, LLC and any necessary implementing documents for acquisition of the Intermodal Transportation Facility site with such contingencies, conditions and other provisions as described therein.
- Section 2. The City Manager is authorized to make a \$30 million cash advance

payment from CIP CF41 for this purpose

- Section 3. The City Manager is authorized to execute a \$25 million note payable in Fiscal Year 2009 for this purpose.
- Section 4. The City Manager is further authorized to extend the terms and conditions of this agreement by thirty days beyond the December 29, 2006 termination date.
- Section 5. Staff is directed to return to the City Council for its further consideration of the acquisition of Parcel B in conjunction with appropriate environmental review and after consultation with State and Federal agencies relative to the status of federal funding for the future intermodal transportation project.
- Section 6. Staff is directed to negotiate shared funding for infrastructure and phased construction over the life of the development project as called for in the Memorandum of Understanding with Millennia Associates (Agreement 2003-176-1).

Adopted by the City of Sacramento City Council on December 12, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

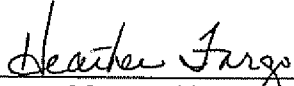
Noes: Councilmember McCarty.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk



Mayor, Heather Fargo