

RESOLUTION NO. 2002-013

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

APR - 9 2002

MERGED DOWNTOWN REDEVELOPMENT PROJECT AREA 1615 J STREET APPROVAL OF OWNER PARTICIPATION AGREEMENT

WHEREAS, the Amended Redevelopment Plan for the Merged Downtown Sacramento Redevelopment Project Area was prepared by the Redevelopment Agency of the City of Sacramento ("Agency") and approved and adopted on June 17, 1986, by Ordinance Nos. 86-063, -064, -065, -066, and -067 of the City Council of the City of Sacramento and subsequently amended;

WHEREAS, two of the goals of the Redevelopment Plan for the Project Area are:

- a) To eliminate blighted and blighting conditions; and
- b) To increase and develop economic activity in the area by attracting new business, assisting existing business and enhancing property values.

WHEREAS, the Agency adopted the Merged Downtown Five Year Strategic Plan and Implementation Plan for the Project Area on February 29, 2000; and

WHEREAS, the Downtown Five Year Strategy and Implementation Plan identifies certain corner properties as key development catalyst sites, and as having the greatest potential for retail development; and

WHEREAS, the Downtown Five Year Strategy and Implementation Plan identifies attracting complementary uses such as cafes and restaurants to the area conceptually known as the Theater District of which the subject property is a part; and

WHEREAS, the City Council of the City of Sacramento adopted the Economic Development Strategy Framework on April 18, 2000 that identified strategies to attract new businesses and assist existing businesses in the 16th Street and Midtown Business Corridors; and

WHEREAS, the Property is properly zoned and situated for commercial redevelopment and its rehabilitation and dedication to a new use would provide the following benefits:

- a) Rehabilitation of the Property would assist in the renovation, seismic strengthening and substantial improvement of an older vacant 6,400 square foot commercial building within the Redevelopment Project Area.

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- b) The Property is near the corner of 16th and J streets, an intersection that is highly visible but lacking in commercial businesses and activity.
- c) The site offers a location necessary for the development of catalyst commercial uses to better integrate the uses and activity of Downtown and the "Theater District" with those of the Midtown area and the re-emerging 16th Street Corridor.

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

Section 1: The above statements are true and correct.

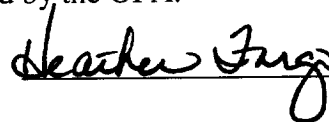
Section 2: The public purpose for use of Agency funds is a commercial redevelopment of an existing building within the Merged Downtown Sacramento Redevelopment Project Area with a destination business and restaurant so that such area can experience a revitalized economic life.

Section 3: For the foregoing reasons, the Redevelopment Agency finds and determines that:

- a) The public interest and necessity requires renewed commercial development and occupancy in the project area;
- b) Such commercial development is planned and located in the manner that will be most compatible with the greatest public good and the least private injury; and
- c) Such development could not occur without redevelopment assistance.

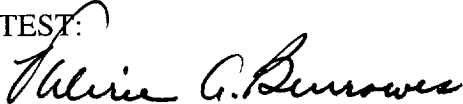
Section 4: The Executive Director of the Agency is authorized to transfer \$250,000 of Merged Downtown Sacramento Tax Increment funds to the 1615 J Street Renovation Project, upon completion of construction, for the purchase of an operating covenant obligating the Developer to lease to LUCCA Restaurant, or to a tenant approved by the City's Economic Development Director in the event of LUCCA's departure, for a period of ten years, all as more particularly described in an Owner Participation Agreement (OPA), a copy of which is on file with the Agency Clerk .

Section 5: The Deputy City Manager is authorized to execute the OPA between the Redevelopment Agency and 16th and J Partners, L.P. (Developer) on behalf of the Agency. The Deputy City Manager is further authorized to execute, on behalf of the Agency, all documents contemplated by the OPA, in a form approved by Agency Counsel, and to take all other actions necessary to consummate the transactions contemplated by the OPA.



CHAIR

ATTEST:



SECRETARY

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