

RESOLUTION NO. 2006-038

Adopted by the Redevelopment Agency
of the City of Sacramento

June 13, 2006

926 J OWNER PARTICIPATION AGREEMENT AND RELATED LEGAL DOCUMENTS

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Merged Downtown Sacramento Redevelopment Project Area Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for the Merged Downtown Sacramento Redevelopment Project Area ("Project Area");
- B. The Agency and Rubicon Partners, LLC. desire to enter into an Owner Participation Agreement ("OPA") and related legal documents, which would provide Agency funds to assist in the renovation of the historic 926 J building for a boutique hotel and significant, ground floor restaurant; and
- C. On April 4, 2006, the Agency approved OPA business terms with Rubicon Partners, LLC. and directed staff to return to the Agency with the completed OPA and related legal documents for approval.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. After due consideration of the facts presented, the findings, including but not limited to the environmental findings regarding this action, as stated in the staff report that accompanies this Resolution, are approved.
- Section 2. The OPA and related legal agreements with Rubicon Partners, LLC., in substantially the same form as that which is on file with the City and Agency Clerks, is approved and the Executive Director or her designee is authorized to execute the OPA and related legal documents to take such actions, execute such instruments, and amend the budget as may be necessary to effectuate and implement this resolution and the OPA.

Section 3. The Executive Director or her designee is authorized and directed to transfer \$9.85 million from the Merged Downtown 2005 Tax Allocation Bond Funds to the 926 J Boutique Hotel Project.

Section 4. The Executive Director or her designee is authorized to pledge project-generated tax increment back to the project for a period of either 15 years or after the cumulative total of rebate payments equals \$1.68 million in net present value terms with a discount rate of 8.5%, whichever occurs first. The nominal total of the rebate payments is estimated at \$3.1 million.

Adopted by the City of Sacramento Redevelopment Agency on June 13, 2006 by the following vote:

Ayes: Members Cohn, Fong, Hammond, McCarty, Pannell Sheedy, Tretheway, Waters, and Chair Fargo.

Noes: None.

Abstain: None.

Absent: None.



Heather Fargo, Chair

Attest:



Shirley Concolino, Secretary