

RESOLUTION NO. 2010-036

Adopted by the Redevelopment Agency
of the City of Sacramento

September 28, 2010

LA VALENTINA: AUTHORIZING A BUDGET AUGMENTATION FOR ENVIRONMENTAL REMEDiation AND RELATED EXPENSES

BACKGROUND

- A. The Agency owns certain real property that includes eight tax parcels in the Project Area generally described as being located on the east side of 12th Street from the C Street Alley to E Street. The property is adjacent to the La Valentina Light Rail Station APN Numbers: 002-0082-016 and -024; 002-0121-002, -027, -032, -034, -036, and -038 ("Property").
- B. On June 2, 2009 the Agency executed a Disposition and Development Agreement (DDA) and loan with Domus Development, LLC to the Property as a mixed use affordable housing development.
- C. The Property has been identified as a Brownfield and requires environmental remediation before construction can begin.
- D. On June 2, 2009 the Agency was authorized to accept and use Six Hundred Thirty One Thousand Dollars (\$631,000) in grant funds from the California Recycle Underutilized Sites Grant Program (CALReUSE) for the environmental remediation of the La Valentina property.
- E. Pacific States and Nichols Consulting Engineers went through a solicitation process and were selected to provide remediation services.
- F. Existing and new grant funds for environmental remediation may be available from CALReUSE.
- G. Use of Alkali Flat Project Area Tax Increment Funds (Alkali Flat TI) for the environmental remediation and development of the Property will benefit the Project Area by providing high quality affordable housing to downtown workers and residents and add an attractive building on the 12th Street Corridor which will include commercial opportunities on a previously inactive site.
- H. The proposed actions consist of budget amendment(s) and activities necessary to fully remediate hazards on the La Valentina Station project site. The "La Valentina Station: Rezone, Plan Review, Special Permit and Variances" project was previously analyzed in accordance with the CEQA Guidelines, and a Mitigated Negative Declaration (MND) was prepared. The project was approved and the MND was adopted by the City of Sacramento on March 24, 2009. Full remediation and cleanup of hazardous materials

was required as mitigation in the MND prepared for the project, and as such, the impacts associated with that cleanup were included in the analysis of the project. Therefore, the proposed actions do not constitute a substantial change with respect to the circumstances under which the project will be undertaken, and additional environmental review is not required pursuant to CEQA Guidelines Section 15162.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action as stated above, are approved.
- Section 2. The Executive Director, or her designee, is authorized to amend the 2010 Sacramento Housing and Redevelopment Agency budget by defunding \$138,823 of Alkali Flat Commercial Loan funds and \$149,191 of Globe Mills Acquisition funds, returning the funds to Alkali Flat Developers Assistance, and allocating the existing balance of \$652,976 in Alkali Flat Developers Assistance and \$247,024 of Alkali Flat Development Assistance Tax Exempt bond funds to the La Valentina Project.
- Section 3. The Executive Director, or her designee, is authorized to execute contracts and amend contracts for remediation services for costs associated with obtaining environment site closure and site preparation at the Property.
- Section 4. The Executive Director, or her designee, is authorized to apply, accept and expend additional CALReUSE funding for costs associated with obtaining environmental site closure at the Property.
- Section 5. The Executive Director, or her designee, is authorized to amend the La Valentina Project Budget should CALReUSE funding become available to reimburse or reduce the amount of the Alkali Flat tax increment funds allocated to the La Valentina Project, provided however, that the CALReUSE funds shall not be used to repay Alkali Flat tax exempt bond funds spent on the Project.

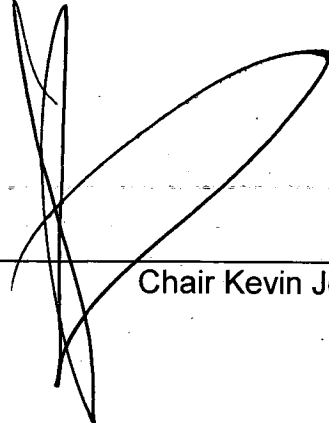
Adopted by the Redevelopment Agency of the City of Sacramento on September 28, 2010 by the following vote:

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

Noes: None.


Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:



Shirley Concolino, Secretary