

**AMENDED
RESOLUTION NO. 2004-865**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF: November 9, 2004

CONSENTING TO THE ESTABLISHMENT OF THE
DOWNTOWN SACRAMENTO REVITALIZATION CORPORATION AND
AUTHORIZING THE MAYOR TO EXECUTE A LETTER OF SUPPORT
FOR TAX EXEMPT STATUS
AND TO APPOINT TWO COUNCILPERSONS AS BOARD MEMBERS

WHEREAS, the City of Sacramento ("City") has created the Redevelopment Agency of the City of Sacramento ("Agency") to address physical and economic blight conditions in the Merged Downtown and Richards Boulevard Redevelopment Project Areas to revitalize these Project Areas, and the Agency has adopted the Redevelopment Plans and 5-year Implementation Plans for those two Project Areas; and

WHEREAS, the Agency typically sells tax exempt debt instruments secured by property tax increment revenues to fund redevelopment projects and the Internal Revenue Code does not permit the Agency to receive a financial return on tax exempt proceeds; and

WHEREAS, the Agency cannot hold real estate assets long term and each Project Area has a limited life span; and

WHEREAS, the City recognizes that a nonprofit corporation dedicated to revitalization efforts within the City of Sacramento would serve a vital function in carrying out the Agency's revitalization efforts in the Project Areas and would significantly lessen the governmental burden undertaken by the City and the Agency.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. The City consents to the creation of the Downtown Sacramento Revitalization Corporation ("DSRC") to create a California nonprofit public benefit corporation to assist the City and Agency to alleviate conditions of physical and economic blight in the Downtown Sacramento and Richards Boulevard Areas; and

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Section 2. The Mayor is authorized to execute the attached letter to the Internal Revenue Service supporting DSRC's application for tax exempt status.

Section 3. The Mayor is directed to appoint two members of the City Council to sit on the DSRC Board; each for a two-year term.

HEATHER FARGO
Mayor

ATTEST:

SHIRLEY CONCOLINO
City Clerk

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October __, 2004

Internal Revenue Service
201 West Rivercenter Blvd.
ATTN: Extracting Stop 312
Covington, KY 41011

Re: Downtown Sacramento Revitalization Corporation

Dear Ladies and Gentlemen:

I am writing to urge you to approve the application of the Downtown Sacramento Revitalization Corporation ("DSRC") to be recognized as an organization described in Section 501(c)(3) of the Internal Revenue Code. As described below, DSRC will lessen the burdens of government of the Redevelopment Agency of the City of Sacramento.

The Redevelopment Agency has been extensively involved in the development and implementation of revitalization plans that have sought to eliminate urban blight in and rehabilitate designated areas of the City of Sacramento, including the areas within the City commonly known as the Merged Downtown Sacramento Redevelopment Project Area and the Richards Boulevard Redevelopment Project Area.

It is expected that DSRC will serve a vital function in the planned revitalization of the Merged Downtown Sacramento Redevelopment and the Richards Boulevard Redevelopment Project Areas. Accordingly, DSRC will significantly lessen the governmental burden undertaken by the Redevelopment Agency. I urge the Internal Revenue Service to recognize DSRC as a Section 501(c)(3) organization so that it may carry out its needed charitable activities. I appreciate your timely attention to this matter.

Sincerely,

**REDEVELOPMENT AGENCY
OF THE CITY OF SACRAMENTO, CALIFORNIA**

By: _____
Anne M. Moore
Executive Director

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