

RESOLUTION NO. 2008-029

Adopted by the Redevelopment Agency
of the City of Sacramento

May 13, 2008

SUMMERSET APARTMENTS: APPROVAL OF \$1,700,000 LOAN COMMITMENT (REDEVELOPMENT PROJECT AREA FUNDS); EXECUTION OF JOINT CITY COUNTY LOAN COMMITMENT; ADOPTION OF SUMMERSET RELOCATION PLAN AND RELATED DOCUMENTS WITH SUMMERSET APARTMENTS INVESTORS, LP., OR RELATED ENTITY

BACKGROUND

- A. The Redevelopment Agency of the County of Sacramento and the Redevelopment Agency of the City of Sacramento have adopted the Franklin Boulevard Redevelopment Plan (Redevelopment Plan) and an Implementation Plan for the Franklin Boulevard Project Area (Project Area).
- B. SUMMERSET APARTMENTS INVESTORS, LP., has applied for an allocation of One Million Seven Hundred Thousand Dollars (\$1,700,000) in 2008 Aggregate Housing Taxable Funds (TARBS) to assist in funding the acquisition and rehabilitation of the 120-unit Summerset Apartments ("Project"), as well as One Million Seven Hundred Thousand Dollars (\$1,700,000) from the County's Home Investment Partnership (HOME) Funds.
- C. The Agency desires to utilize County Aggregated Redevelopment Project Area funds, including housing funds of the Project Area, for the development of the Project.
- D. The Agency finds that the Project will preserve the community's supply of low income housing available at an affordable housing cost to persons that are extremely low, very low and low income households and is located inside of a project area but within the County's jurisdiction.
- E. The Agency finds that the Tax Increment set-aside funds used to fund the Project are needed to make the housing units affordable and the allocation of funds for the Art in Public Places funds would make the project costs prohibitive.
- F. The project is exempt from environmental review under CEQA Guidelines Section 15301. The project is Categorical Excluded from environmental review under NEPA regulations at 24 CFR Section 58.35 (a) subsection (3)(i).

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

- Section 1. The proposed action is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15310 and 15301(a) and (d) which exempts bond and loan financing and rehabilitation of existing facilities where the use remains unchanged. The project consists of the rehabilitation of a multi-family residential complex in which the unit density will not be changed and the estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation. Therefore, the proposed action is categorically excluded from environmental review under the National Environmental Policy Act (NEPA) pursuant to 24 CFR Section 58.35(a)(3).
- Section 2. The forgoing findings are true and correct. In consideration of such findings, Art in Public Places requirements are waived in accordance with provisions of the adopted policy.
- Section 3. The Loan Commitment, attached to and incorporated in this resolution by this reference (Exhibit A), for financing the Summerset Apartments project with TARBS funds not to exceed \$1,700,000 (for a total of loan commitment not more than \$3,400,000 including not more than \$1,700,000 in HOME Funds) is approved and the Agency is authorized to execute and transmit the Loan Commitment to Summerset Apartments Investors, LP., or related entity.
- Section 4. The Redevelopment Agency of the County is authorized, on behalf of the Agency, to enter into and execute other documents and perform other actions necessary to fulfill the intent of the staff report and the Loan Commitment that accompany this resolution in accordance with their respective terms including but not limited to execution of a Owner Participation Agreement between the Redevelopment Agency of the County and Summerset Apartments, LP, or related entity, duly adopted, and to ensure proper repayment of the Agency funds, including without limitation, subordination, extensions, and restructuring of such a loan.
- Section 5. The Redevelopment Agency of the County is authorized to make technical amendments to said agreements and documents with approval of Agency Counsel, which amendments are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices for making of such a loan, and with the staff report that accompanies this resolution.

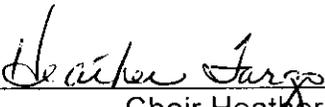
Adopted by the Redevelopment Agency of the City of Sacramento on May 13, 2008 by the following vote:

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

Noes: None.

Abstain: None.

Absent: Councilmember Hammond.


Chair Heather Fargo

Attest:


Shirley Concolino, Secretary