

RESOLUTION NO. 2003-060

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF **OCT 28 2003**

**FREMONT MEWS;
SACRAMENTO REDEVELOPMENT PROJECT AREA FUNDS); EXECUTION OF A
FIRST AMENDMENT TO THE OWNER PARTICIPATION AGREEMENT (OPA)
WITH 14TH AND P CORPORATION FOR THE DEVELOPMENT OF FREMONT
MEWS; RELATED AUTHORIZATIONS**

WHEREAS, the Agency desires to utilize Merged Downtown Sacramento Redevelopment Project Area funds for the development of a residential project in the Central City;

WHEREAS, the Redevelopment Agency had previously approved a \$1,500,000 LOAN and \$500,000 grant for the project; and

WHEREAS, the Agency and 14th and P Corporation ("Developer") have entered into a OPA, a copy of which is on file with the Agency Clerk, which OPA would require the improvements on the Property, as further described in the OPA.

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

Section 1. The Amendment to the Owner Participation and the Amended Regulatory Agreement (collectively, "Amendments") for the Fremont Mews project as described in the Staff Report, a copy of which is on file with the Agency Clerk and which is incorporated herein by this reference, are approved.

Section 2. In accordance with Health and Safety Code Section 33334.14 the Deed of Trust and Regulatory Agreement containing covenants imposed by the OPA may be subordinated to the lien, encumbrance or regulatory agreement of Charter Mac the senior lender that is providing financing for the Project because no other feasible method of financing the Project on comparable terms and conditions is reasonably available in the time allotted for closing of the Project financing and the Agency has obtained the following written commitments from such senior lender that are designed to protect the Agency's investment: (a) a right of the Agency to cure the senior loan, (b) a right of the Agency to negotiate with the Lender after notice of default from lender, (c) an agreement that the lender will not exercise any right of acceleration based upon transfer of title to the Agency as a result of Agency's cure of the Developer's default of the senior loan and (d) a right of the Agency to purchase the Property from the Developer or the subsequent owners of the Property at any time after Developer's default of the senior loan.

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Section 3. The Executive Director is authorized to execute the Amendments with the Developer and to take such actions, execute such instruments, and amend the budget as may be necessary to effectuate and implement this resolution and the OPA.

Heather Furga
CHAIR

ATTEST:

Nirgma K. Kumar
SECRETARY

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