

RESOLUTION NO. 2000-054

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF **AUG 22 2000**

**MCCLELLAN AIR FORCE BASE/WATT AVENUE
REDEVELOPMENT PLAN: APPROVING THE RULES
GOVERNING PARTICIPATION AND PREFERENCES BY
PROPERTY OWNERS AND BUSINESS OCCUPANTS**

WHEREAS. Section 33339.5 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (CRL) provides that a redevelopment agency shall adopt and make available for public inspection rules to implement the operation of business re-entry preferences in connection with a redevelopment plan;

WHEREAS. Section 33345 of the CRL provides that a redevelopment agency shall adopt and make available for public inspection rules to implement the operation of owner participation in connection with a redevelopment plan: and

WHEREAS. the Executive Director of the Redevelopment Agency of the City of Sacramento has made the Rules Governing Participation and Preferences by Property Owners and Business Occupants in the McClellan Air Force/Watt Avenue Project Area (Rules) available for inspection.

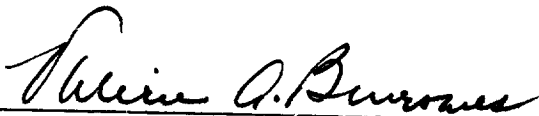
BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. The Rules attached as Attachment II to this staff report and by this reference made a part of this resolution. are approved.



CHAIR

ATTEST:



SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: **2000-054**
DATE ADOPTED: **AUG 22 2000**

RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS AND THE EXTENSION OF REASONABLE PREFERENCES TO BUSINESS OCCUPANTS IN THE PROPOSED MCCLELLAN AFB/WATT AVENUE REDEVELOPMENT PROJECT

Adopted By The

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Prepared by:

Keyser Marston Associates, Inc.

JANUARY 2000

ORDINANCE NO. 2000-054

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**RULES GOVERNING PARTICIPATION BY PROPERTY OWNERS
AND THE EXTENSION OF REASONABLE PREFERENCES TO
BUSINESS OCCUPANTS IN THE
MCCLELLAN AFB/WATT AVENUE REDEVELOPMENT PROJECT**

I. [§100] PURPOSE AND INTENT

These Rules Governing Participation By Property Owners and the Extension of Preferences to Business Occupants (Rules) are adopted pursuant to the Community Redevelopment Law of the State of California, in order to implement the provisions of the Redevelopment Plan for the proposed McClellan AFB/Watt Avenue Redevelopment Project. These Rules set forth the procedures governing such owner participation and extension of preferences.

It is the intention of the Agency to encourage and permit participation in the redevelopment of the proposed McClellan AFB/Watt Avenue Redevelopment Project by owners of real property to the maximum extent consistent with the objectives of the Redevelopment Plan.

II. [§200] DEFINITIONS

As used herein, the following definitions apply:

(1) "Agency" means the Sacramento Housing and Redevelopment Agency which is authorized to undertake the activities of a community redevelopment agency pursuant to the Community Redevelopment Law, California Health and Safety Code Sections 33000 *et seq.*

(2) "Business Occupant" means any person, persons, corporation, association, partnership or other entity engaged in a lawful business and occupying an office or other business premises within the Project Area on or after the date of adoption of the Redevelopment Plan by the Board of Supervisors of the County of Sacramento for so long as such Business Occupant remains in business within the Project Area.

(3) "Owner" means any person, persons, corporation, association, partnership or other entity holding fee title of record to real property in the Project Area on or after the date of adoption of the Redevelopment Plan by the Board of Supervisors of the County of Sacramento for so long as such owner continues to hold fee title within the Project Area.

(4) "Owner Participation Agreement" means an agreement entered into by an Owner with the Agency in accordance with the provisions of the Redevelopment Plan and these Rules.

(5) "Project Area" means the proposed McClellan AFB/Watt Avenue Redevelopment Project, as it currently exists and as its boundaries may be amended from time to time. Maps and a

legal description of the McClellan AFB/Watt Avenue Redevelopment Project are on file at the offices of the Agency clerk.

(6) "Redevelopment Plan" means the Redevelopment Plan for the proposed McClellan AFB/Watt Avenue Redevelopment Project, as it currently exists and as it may be amended from time to time.

III. [§300] ELIGIBILITY

Owners shall be eligible to participate in the redevelopment of property within the Project Area in accordance with the provisions of the Redevelopment Plan, these Rules and the limitations herein described.

Participation opportunities are necessarily subject to and limited by factors such as the following:

- (1) The elimination and changing of some land uses;
- (2) The construction, widening or realignment of some streets;
- (3) The ability of Owner participants to finance acquisition and development or rehabilitation in accordance with the Redevelopment Plan;
- (4) The reduction in the total number of individual parcels in the Project Area, and;
- (5) The construction or expansion of public facilities.

The Agency presently contemplates that in carrying out the Redevelopment Plan, certain portions of the Project Area may be acquired by the Agency for public improvements, facilities and utilities. Therefore, owner participation opportunities will not be available for such properties.

IV. [§400] TYPES OF PARTICIPATION

Subject to these Rules and the limitations in Section 300 and this Section 400, Owners shall be given a reasonable opportunity to participate in redevelopment by:

- (1) Retaining all or a portion of their properties and developing or improving such property for use in accordance with the Redevelopment Plan;
- (2) Acquiring adjacent or other properties within the Project Area and developing or improving such property for use in accordance with the Redevelopment Plan; or

- (3) Selling their properties to the Agency and purchasing other properties in the Project Area.

Owners wishing to participate shall submit to the Agency, not later than forty-five days following their receipt of notice concerning a proposed use or acquisition of their property, a written proposal including a statement of interest in participation, a description of the proposed development, a schedule for development, and a statement of qualifications. The Agency may also solicit and consider proposals from persons who are not Owners, provided that proposals from Owners shall have priority over proposals from non-Owners, unless the Agency determines that a non-Owner proposal is substantially more beneficial to the community under the criteria set forth below in (1) - (13).

Owners who fail to submit a proposal within such 45-day period shall be deemed to have waived all rights of owner participation.

Each proposal shall be reviewed by the Agency specifically with respect to the following:

- (1) Conformity with the land-use provisions of the Redevelopment Plan;
- (2) Compatibility with the standards, covenants, restrictions, conditions and controls of the Redevelopment Plan;
- (3) Compatibility with parcelization of the Project Area into sites adequate for redevelopment;
- (4) The potential Owner participant's ability to finance the acquisition and development or improvement in accordance with the Redevelopment Plan;
- (5) The necessity to assemble sites for integrated, modern development;
- (6) Conformity of the proposal with the intent and objectives of the Redevelopment Plan;
- (7) Service to the community of the proposal;
- (8) Construction, realignment, widening, abandonment, opening and/or other alteration or elimination of streets and public rights-of-way;
- (9) Removal, relocation, or installation of public utilities and public facilities;
- (10) Ability and experience of potential Owner participants to undertake and complete the development or improvement;
- (11) Any reduction in the total number of individual parcels in the Project Area;
- (12) Construction or expansion of public improvements and facilities and the necessity to assemble sites for such, and;

(13) Any change in the orientation and character of the Project Area.

If conflicts develop between the desires of potential Owner participants for particular sites or land uses, the Agency is authorized to establish reasonable priorities and preferences among the Owners. Some of the factors to be considered in establishing these priorities and preferences may include:

- (A) A potential Owner participant's length of occupancy in the area;
- (B) Accommodation of as many Owner participants as possible;
- (C) Factors 1-13 above

V. [§500] CONFORMING OWNERS

The Agency may, in its sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of the Redevelopment Plan, and the Owners of such property will be permitted to remain as conforming Owners without an Owner Participation Agreement with the Agency, provided such Owners continue to operate, use and maintain the real property within the requirements of the Redevelopment Plan.

In the event that any of the conforming Owners desire to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (2) acquire additional property within the Project Area, then, in such event, such conforming Owners may be required by the Agency to enter into an Owner Participation Agreement with the Agency.

VI. [§600] OWNER PARTICIPATION AGREEMENTS

Eligible Owners wishing to develop or improve their properties within the Project Area may be required, as a condition to Agency approval of such development or improvement, to enter into an Owner Participation Agreement with the Agency. In connection therewith, the agreement may require the Owner participant to join in the recordation of such documents as the Agency may require in order to ensure the property will be developed and used in accordance with the Redevelopment Plan and the Owner Participation Agreement.

VII. [§700] NOTICE TO OWNERS; TIME TO ENTER INTO AGREEMENT

If the Agency determines that an Owner of real property within the Project Area shall be required to enter into an Owner Participation Agreement as provided in Section 600 of these Rules, the Agency shall notify the Owner in writing of its intention to require an Owner Participation Agreement and shall provide the Owner with a copy of a proposed Owner Participation Agreement.

An Owner presented with an Owner Participation Agreement by the Agency must enter into the agreement within a reasonable period of time as determined by the Agency or will be deemed to have waived all rights to owner participation. An Owner must submit proof of his qualifications, including financial responsibility, to carry out the terms and provisions of the Owner Participation Agreement. However, any Owner Participation Agreement will only be binding if approved and executed by the Agency.

VIII. [§800] CONTENTS OF OWNER PARTICIPATION AGREEMENTS

An Owner Participation Agreement shall obligate the Owner, its heirs, and successors and assigns, and tenants to devote the property to the uses specified in the Redevelopment Plan, abide by all provisions and conditions of the Redevelopment Plan for the period of time that the Redevelopment Plan is in force and effect, and comply with all the provisions of the Owner Participation Agreement according to their terms, duration and effect.

An Owner Participation Agreement may provide that if the Owner does not comply with the terms of the agreement, the Agency, in addition to other remedies, may acquire such property or any interest therein by any lawful means, including eminent domain, for its fair market value as of the date of the Owner Participation Agreement, and the Agency may thereafter dispose of the property or interest so acquired in accordance with the Redevelopment Plan.

The Agency may recover from the proposed participation, all costs associated with review of the proposal, and preparation and processing of the Owner Participation Agreement.

An Owner Participation Agreement shall contain such other terms and conditions which, in the discretion of the Agency, may be necessary to effectuate the purposes of the Redevelopment Plan.

IX. [§900] LIMITATIONS ON ACQUISITION OF PROPERTY BY THE AGENCY

The Agency shall not acquire real property to be retained and developed by an Owner pursuant to a fully executed Owner Participation Agreement if the Owner fully performs under the agreement.

The Agency shall not acquire real property on which an existing building is to be continued on its present site under the Redevelopment Plan and in its present form and use without the consent of the Owner, unless:

- (1) Such building requires structural alternation, improvement, modernization or rehabilitation;
- (2) The site or lot on which the building is situated requires modification in size, shape or use; or
- (3) It is necessary to impose upon such property any of the controls, limitations, restrictions and requirements of the Redevelopment Plan, and the Owner fails or refuses to participate in redevelopment by executing an Owner Participation Agreement in accordance with the provisions of the Redevelopment Plan.

X. [§1000] PREFERENCE TO BUSINESS OCCUPANTS WITHIN THE PROJECT AREA

Business Occupants who desire to remain within the Project Area shall be extended a reasonable preference to remain or reenter in business within the Project Area if they otherwise meet the requirements prescribed in these Rules and the Redevelopment Plan.

Reentry preferences shall necessarily be subject to and limited by factors such as the extent to which suitable relocation or reentry accommodations exist or are rehabilitated or developed within the Project Area; the extent to which suitable relocation or reentry accommodations are available within an acceptable time period or at rents or other terms that are acceptable to such displaced Business Occupants, and within their financial means; and the requirements of the Redevelopment Plan and applicable laws and regulations of the County or City of Sacramento.

XI. [§1100] AMENDMENT OF RULES

These Rules may be modified or amended from time to time by the Agency at any regular or duly called special meeting, provided, however, that no such amendment shall retroactively impair the rights of Owners who have executed Owner Participation Agreements with the Agency in reliance upon these Rules as presently constituted.