

RESOLUTION NO. 98-042

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF SEP 15 1998

**THE FREMONT BUILDING: ENVIRONMENTAL FINDINGS;
FINDING OF BENEFIT FOR USE OF TAX INCREMENT FUNDS
OUTSIDE PROJECT AREA; APPROVAL OF \$1.24 MILLION
ACQUISITION AND DEVELOPMENT LOAN (MERGED DOWNTOWN
SACRAMENTO REDEVELOPMENT PROJECT AREA FUNDS AND
HOME FUNDS); OWNER PARTICIPATION AGREEMENT WITH
SHASTA/DOWNTOWN SACRAMENTO VENTURE MIXED USE
DEVELOPMENT, LLC; AND AMENDMENT OF AGENCY BUDGET**

WHEREAS, the Agency desires to utilize Merged Downtown Sacramento Redevelopment Project Area funds for the acquisition, predevelopment and development of the residential portion of a 69-unit mixed-income development located on the east side of 16th Street between O and P streets ("Project");

WHEREAS, the new construction will occur in an area which is adjacent to the Merged Downtown Sacramento Redevelopment Project ("Project Area") and which is a major source of housing for the Project Area because of its proximity to the Project Area; and

WHEREAS, the Project will improve the jobs-housing balance for jobs created in the Project Area and will help supply a customer base for businesses in the Project Area.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The Agency hereby finds the foregoing recitals are true and the use of Project Area funds to develop the Project will be of benefit to the Project Area. Specifically, the Agency finds that the Project will create housing in the City of Sacramento that will benefit the Project Area.

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Section 2: The RAC has considered the environmental effects of the project as shown in the Negative Declaration (State Clearinghouse #97102060) adopted by CADA as the lead agency.


Section 3: The Agency hereby finds and determines that the Project is consistent with the Implementation Plan for the Merged Downtown Sacramento Redevelopment Plan.

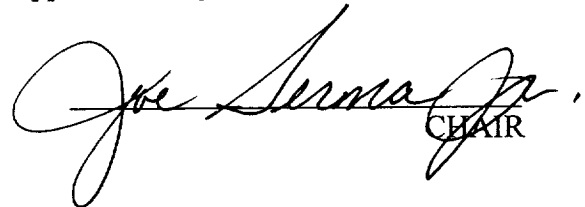
Section 4: The Executive Director is hereby authorized to allocate and expend a total of one million two hundred forty thousand dollars (\$1,240,000) from Downtown Tax Increment and HOME Program funds, and to amend the Agency budget accordingly, to provide an acquisition and development loan to the Fremont Building development.

Section 5: The Owner Participation Agreement (OPA) described in the staff report is approved.

Section 6: The Executive Director is authorized to execute the OPA and related documents, and to enter into other agreements, execute other documents, and perform other actions necessary to provide said funding assistance to the Fremont Building development and to ensure proper repayment and/or forgiveness of Agency funds, including without limitation, subordination, extensions and restructuring of payments, all as approved by Agency Counsel.

Section 7: The Executive Director is hereby authorized to modify or amend said agreements and documents with the approval of Agency Counsel.


SECRETARY


CHAIR

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