

RESOLUTION NO. 2008-018

Adopted by the Redevelopment Agency
of the City of Sacramento

March 25, 2008

MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT AREA: AUTHORIZATION FOR EXECUTION OF A MASTER OWNER PARTICIPATION AGREEMENT AND AGENCY FUNDING AGREEMENT WITH TAYLOR/CIM REDEVELOPMENT COMPANY, LLC

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Merged Downtown Sacramento Redevelopment Plan ("Redevelopment Plan") and an "Implementation Plan" for the Merged Downtown Redevelopment Project Area ("Project Area");
- B. Subject to the transference of one half of the net proceeds from the sale of the Sheraton Grand Hotel from the City to the Agency, the Agency and Taylor/CIM Redevelopment Company, LLC ("Developer") desire to enter into a Master Owner Participation Agreement and Agency Funding Agreement ("Financing OPA"), with any and all incorporated documents, a copy of which is on file with the City and Agency Clerk, which would pledge and set aside such funds for reinvestment into projects in the Merged Downtown Redevelopment Project
- C. The proposed Financing OPA, requires that individual projects be proposed to and accepted by staff according to the provisions and priorities of the Financing OPA, and after preparation and due environmental review, that such proposed projects be considered by the governing board of the Redevelopment Agency in the form of an individual Owner Participation Agreements for each proposed project, as further described in the Financing OPA (collectively, "Project").
- D. The Agency, as a Responsible Agency pursuant to the California Environmental Quality Act has determined that the financing OPA is a financing mechanism that does not involve any commitment to any specific project that could result in a potentially significant physical impact on the environment. Therefore, approval of the financing OPA does not constitute a project under CEQA Guidelines 15378(b)(4).

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

- Section 1. The foregoing recitals are true and correct and are hereby adopted, and the actions proposed by this resolution, including approval of the Financing OPA are exempt from further CEQA review.

Section 2. Subject to the approval of the allocation of funding, as described above, by the City to the Agency as set forth in the Financing Owner Participation Agreement, the Financing Owner Participation Agreement is approved, and the City Manager of the City of Sacramento or his designee is authorized to execute the Financing OPA on behalf of the Redevelopment Agency of the City of Sacramento, in substantially the same form as that which is on file with the City and Agency Clerks and to take all such actions, to execute said instruments, and to amend the budget as may be necessary to effectuate and implement this resolution and the Financing OPA to receive and allocate the net proceeds of the sale of the Sheraton Grand, to the purposes of the Financing OPA, as described above.

Section 3. The Executive Director of the Agency and the City Manager on behalf of the Agency or a designee of either of them, are each individually authorized and directed to take any and all actions they determine to be necessary or appropriate to maintain the tax-exempt status of the Agency's Merged Downtown Sacramento Redevelopment Project Tax Allocation Bonds, Series 1998 A (the "Bonds"). A portion of the Bonds were expended in connection with the Convention Center Hotel and in order to comply with applicable federal income tax laws concerning the tax-exempt status of the Bonds a portion of the purchase price for the hotel (as determined by the Executive Director or City Manager on behalf of the Agency upon consultation with nationally recognized bond counsel) shall be applied: (i) for redevelopment capital expenditures for projects to be used for public purposes within the Merged Downtown Project Area; or (ii) to redeem a portion of the Bonds, in either case to the extent necessary to maintain the tax-exempt status of the Bonds, or such other action as may be approved in writing in advance by such bond counsel. Any actions heretofore taken by the Executive Director or City Manager in accordance with this Section are hereby ratified, confirmed and approved.

Adopted by the Redevelopment Agency of the City of Sacramento on March 25, 2008 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.



Chair Heather Fargo

Attest:


Dawn Bullwinkel, Assistant Secretary