

RESOLUTION NO. 98-041

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF SEP 15 1998

**CAPITOL PARK TOWNHOMES: ENVIRONMENTAL FINDINGS;
FINDING OF BENEFIT FOR USE OF TAX INCREMENT FUNDS
OUTSIDE PROJECT AREA; APPROVAL OF \$2 MILLION
ACQUISITION AND DEVELOPMENT LOAN (MERGED DOWNTOWN
SACRAMENTO REDEVELOPMENT PROJECT AREA FUNDS); OWNER
PARTICIPATION AGREEMENT WITH SHASTA/DOWNTOWN
SACRAMENTO VENTURE SINGLE FAMILY 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 a 64-unit townhome development on the block bounded by 12th, 14th, P and Q 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 #97122005) 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.

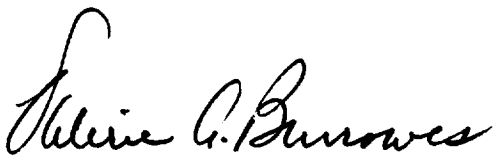
Section 4: The Executive Director is hereby authorized to appropriate and expend two million dollars (\$2,000,000) from Downtown Tax Increment funds to provide an acquisition and development loan to the Capitol Park Townhomes development.

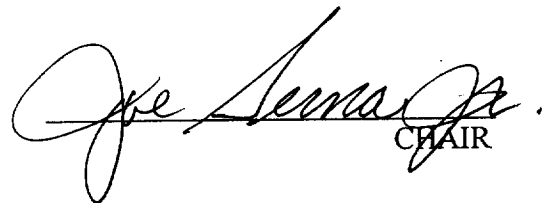
Section 5: The Owner Participation Agreement (OPA) described in the staff report is approved.

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 Capitol Park Townhomes 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.

Section 8: The Agency's budget is hereby amended to transfer \$2,000,000 from the Central City Market Housing Project (\$1,128,055 in the Low/Mod Capital Projects Fund and \$871,945 in the Downtown TARBS Taxable fund) to the Capitol Park Townhomes Project.


SECRETARY


CHAIR

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