

AMENDED

RESOLUTION NO. 2004-050

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF OCT 12 2004

APPROVAL OF THE REA BUILDING REHABILITATION PROJECT AND AUTHORIZATION FOR EXECUTION OF AN OWNER PARTICIPATION AGREEMENT WITH REA PARTNERS AND RELATED AUTHORIZATIONS

WHEREAS, the Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Richards Boulevard Redevelopment Plan ("Redevelopment Plan") and a 5-year "Implementation Plan" for the Richards Boulevard Redevelopment Project Area ("Project Area") to assist the City of Sacramento with alleviating conditions of physical and economic blight by helping to develop and finance redevelopment projects; and

WHEREAS, REA Partners ("Developer") owns certain real property ("Property"), in the Project Area which Property is generally described as the REA Building located at 431 I Street, and more particularly described in the legal description, (Exhibit ____ to the Owner Participation Agreement); and

WHEREAS, the Agency and Developer desire to enter into a Owner Participation Agreement ("OPA"), a copy of which is on file with the City Clerk and with the Agency Clerk, which OPA would assist with financing of the REA Building Project by entering into loan agreements with Developer, as more specifically described in the OPA, and which would require the improvements within the Property, as further described in the OPA (collectively, "Project"); and

WHEREAS, the Agency, as a Responsible Agency pursuant to the California Environmental Quality Act has consulted and commented on the preparation of the Final EIR for the REA Building Project and determined it is adequate for its use in approving the Project and approved the Findings of Fact and Statement of Overriding Considerations.

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

Section . The Project will assist in the elimination of blight in that it will increase property values, renovate a deteriorating abandoned historic property and restore the property to a productive use. The Project is consistent with the goals and objectives of the Redevelopment Plan and the Implementation Plan. Applicable goals of the Redevelopment Plan, as stated in the Implementation Plan are: (a) to promote new private

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sector investment and to capture new commercial sales activities, (b) the creation of local job opportunities within the Project Area, (d) development of stagnant areas, (e) conservation and rehabilitation of the Project Area, and (f) securing and preserving identified historic structures for future uses, including the renovation of the REA Building. The OPA shall be deemed an implementing document approved in furtherance of the Redevelopment Plan, the Implementation Plan for the Project Area, and all applicable land use plans, studies, and strategies.

Section 2. The consideration given in exchange for the financing provided under this OPA with Developer includes operating covenants to assure operation of the Project as described in the OPA as well as other obligations and restrictions including, without limitation, use restrictions, as evidenced by the required Regulatory Agreement, and the requirement that the Agency shall share in proportional project returns through loan repayments, as described in the OPA.

Section 3. The OPA is approved subject to the Agency's first right to make an offer for purchase of the building at fair market value and the City Manager is authorized to execute the OPA with Developer and to take such actions, execute such other documents and instruments as approved by Agency counsel, and amend the budget as may be necessary to effectuate and implement this resolution and the OPA.

HEATHER FARGO

Chair

Attest:

SHIRLEY CONCOLINO

Secretary

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