

RESOLUTION NO. 98-028

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF JUN 4 1998

DEL PASO NUEVO PROJECT: SECTION 108 LOAN AND GUARANTEE; PROPERTY ACQUISITIONS; AND DEDICATION OF LAND/IMPROVEMENTS

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

Section 1. Sacramento Housing and Redevelopment Agency is hereby authorized to pledge or provide the following as additional security or repayment for the Section 108 Loan guarantee for the Del Paso Nuevo project, as required by the Funding Approval/Agreement attached as Attachment I.

- 1) Available Del Paso Heights Redevelopment Area tax increment generated from the Del Paso Nuevo neighborhood area as shown on Attachment II and generally bounded by Norwood Avenue, South Avenue, Altos Avenue and Arcade Creek, in an amount not more than \$2,780,000. Such tax increment pledged as guarantee shall be that accruing from June 1, 1998, and ending on or before the termination of the redevelopment plan, but no later than June 1, 2020.
- 2) Real property owned or acquired by the Agency in the Del Paso Nuevo neighborhood area including but not limited to the following parcels:

ADDRESS	APN
3549 Norwood Avenue	0250-0130-016
Norwood Avenue	0250-0130-017
386 South Avenue	0250-0130-021
3555 Norwood Avenue	0250-0130-022
3545 Norwood Avenue	0250-0130-023

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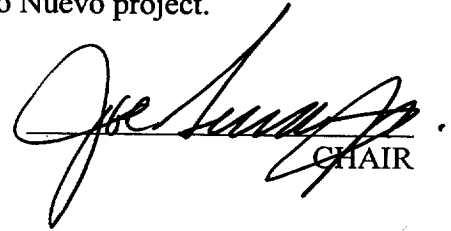
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- 3) Program income directly generated from the use of Economic Development Initiative Grant and Section 108 Loan funds for the Del Paso Nuevo project.

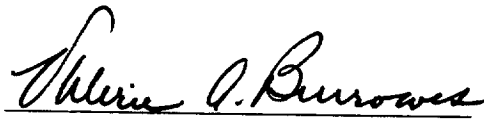
Section 2. The Agency hereby determines that just compensation for each parcel of real property, or portion thereof to be acquired, identified in Attachment III shall be equal to the appraised fair market value of each such parcel (or portion thereof, as applicable) as determined by independent appraisal undertaken for that purpose by a qualified licensed appraiser.

Section 3. The Executive Director is authorized to negotiate and complete the voluntary purchase and sale of each of the properties identified in Attachment III at a price not substantially exceeding the amount of just compensation established above. The Executive Director is fully authorized to take all necessary action, including quiet title actions, and execute all necessary documents, in form approved by Agency Counsel, to complete such actions.

Section 4. The Executive Director is authorized to dedicate to the City, County, or any public utility districts having jurisdiction, any Agency-owned land, improvements or easements as necessary to carry out the Del Paso Nuevo project.


CHAIR

ATTEST:


SECRETARY

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OFFICE OF THE ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

FUNDING APPROVAL/AGREEMENT

SEP 26 1997

Honorable Joseph Serna, Jr.
Mayor of Sacramento
Sacramento, CA 95814

Dear Mayor Serna:

Please be informed that the City of Sacramento's (hereafter "the City") request for loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, has been approved. Such assistance is to consist of the guarantee of notes or other obligations in the principal amount of \$5,445,000.00, plus interest thereon, which shall be issued to finance activities described in application B-97-MC-06-0003.

This offer of commitment is subject, however, to the conditions specified in Item 8 of the Funding Approval (Form HUD-7082).

The first condition provides that in the event the City fails to submit notes or other obligations for inspection and guarantee by the Secretary of the Department of Housing and Urban Development (HUD) before October 1, 1998, the offer will expire as of such date.

The second condition provides that the repayment schedule for the guaranteed loan must be acceptable to HUD.

The third condition provides that the City shall provide additional security for the guaranteed loan and such additional security must be acceptable to HUD. The additional security shall be identified in the Contract for Loan Guarantee Assistance, specified by 24 CFR §570.705(b)(1), which will be executed at the time the guaranteed obligations are issued.

Please furnish us, at the address specified in the last paragraph of this letter, your timetable for execution of the activities described in your application. These activities will be financed through a public offering of Section 108 obligations. If you need funds prior to the next public offering, please notify HUD at the address below and instructions for obtaining interim financing will be provided.

In addition to the special conditions cited above, the release of funds for the project to be carried out with loan guarantee assistance is conditioned upon compliance by the

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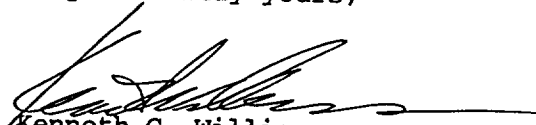
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City with all applicable provisions of the HUD Environmental Review Procedures (24 CFR Part 58). In this regard a request for release of funds must be approved by HUD prior to the obligation or utilization of funds for the project.

Please execute the three enclosed copies of the Funding Approval and return two copies to the Department of Housing and Urban Development, Office of Block Grant Assistance, Financial Management Division, Room 7180, 451 Seventh Street, S.W., Washington, D.C. 20410. One copy should be retained for your files. The Funding Approval amends the Grant Agreement authorized by HUD on February 11, 1997, under the Funding Approval for grant number B-97-MC-06-0003 to include loan guarantee assistance. The Grant Agreement thereby incorporates this Funding Approval, the loan guarantee application, and Subpart M of the block grant regulations governing loan guarantees, as well as such agreements, schedules, and other documentation required to be submitted or executed in connection therewith.

Very sincerely yours,



Kenneth C. Williams
Deputy Assistant Secretary
for Grant Programs

Enclosures

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Funding Approval/Agreement
Title I of the Housing and Community
Development Act (Public Law 93-383)

U.S. Department of Housing
 and Urban Development
 Office of Community Planning
 and Development
 Community Development Block Grant Program

HI-09515R of 20515R

1. Name of Grantee (as shown in Item 5 of Standard Form-424) CITY OF SACRAMENTO, CALIFORNIA		3. Grantee's 9-Digit Tax ID Number B-97-MC-06-0003	4. Date Use of Funds May Begin
2. Grantee's Complete Address (as shown in Item 5 of Standard Form-424) 630 I STREET SACRAENTO, CA 95814		5a. Project / Grant Number 1	6a. Amount Approved
		5b. Project / Grant Number 2	6b. Amount Approved
		5c. Project / Grant Number 3	6c. Amount Approved

Grant Agreement

This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301 et seq). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred on or after the date specified in 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by subrecipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing & Urban Development (signature, name, title, date) X KENNETH C. WILLIAMS, DEPUTY ASSISTANT SECRETARY FOR GRANT PROGRAMS		Grantee (signature, name, title, date) X CITY OF SACRAMENTO, CALIFORNIA	
7. Check Only One: Category of Title I Assistance for this Funding Action		8. Special Conditions (check one)	9a. Date HUD Received Submission:
a. Entitlement, Sec 106(b)		None	9b. Date Grantee Notified:
b. State-Administered, Sec 106(d)(1)		Attached <input checked="" type="checkbox"/>	9c. Date of Start of Program Year:
c. HUD-Administered Small Cities, Sec 106(d)(2)(B)			10. Check One:
d. Indian CDBG Programs, Sec 106 (e)(1)			a. Orig. Funding Approval
e. Surplus Urban Renewal Funds, Sec 112(b)			b. Amendment <input checked="" type="checkbox"/>
f. Special Purpose Grants, Sec 107			c. Amendment Number
g. Loan Guarantee, Sec 108 <input checked="" type="checkbox"/>			1
11. Amount of Community Development Block Grant		FY 97	
a. Funds Reserved For This Grantee		FY	
b. Funds Now Being Approved		FY	
c. Reservation To Be Cancelled (11a minus 11b)			
12a. Amount of Loan Guarantee Commitment Now Being Approved: 5,445,000		12b. Name and Complete Address of Public Agency	

Loan Guarantee Acceptance Provisions for Designated Agencies

The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.

12c. Signature of Authorized Official (name, title, date) for Designated Public Agency
X

HUD Accounting Use Only

Batch	153	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date	F
	176							B-97-MC-06-0003				
Date Entered PAS	Date Entered LOCCS	Batch Number	Transaction Code	Entered by:	Verified by:							

Previous Editions are Obsolete

form HUD-7082 (4/14/93)

24 CFR 570

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8. Special Conditions.

- (a) In the event the Borrower fails to submit notes or other obligations for inspection and guarantee by the Secretary of the Department of Housing and Urban Development (the Secretary) before October 1, 1998, the offer will expire as of such date.
- (b) The repayment schedule for the guaranteed loan must be acceptable to the Secretary.
- (c) The Borrower shall provide additional security for the guaranteed loan and such additional security must be acceptable to the Secretary. The additional security shall be identified in the Contract for Loan Guarantee Assistance specified by 24 CFR §570.705(b)(1) which will be executed at the time the guaranteed obligations are issued.

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