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April 7, 1999



Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT: ALLOCATION OF FRANKLIN BOULEVARD TAX INCREMENT REVENUE  
TO THE COMMERCIAL LOAN AND EXTERIOR REBATE PROGRAM.**

**LOCATION & COUNCIL DISTRICT** Franklin Boulevard Redevelopment Area; Council  
District 5

**RECOMMENDATION**

Staff recommends adoption of the attached resolution, which authorizes the Executive Director or her designee to amend the 1999 Agency budget by transferring \$60,000 from the Franklin Boulevard Developer Assistance Fund to the Commercial Loan Program and Exterior Rebate Program.

**CONTACT PERSONS** John Dangberg, Director, Community Development Department,  
440-1316  
Jim Hare, Program Manager, Community Development  
Development, 440-1399 x 1442

**FOR COUNCIL MEETING OF** April 20, 1999

**SUMMARY**

The Commercial Loan and Exterior Rebate Program has been a cornerstone of commercial revitalization in the Franklin Boulevard Redevelopment Area. This report recommends additional program funding to extend effectiveness of the program.

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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### PAC ACTION

At its February 10, 1999 meeting, the Franklin Boulevard Project Area Committee (PAC) recommended approval of the attached resolution. The votes were as follows:

AYES: Rose, Rich, Brown, Colla, Tavera, Biel, Rooney

NOES: None

ABSENT: Palmer, Barnes

### COMMISSION ACTION

At its April 7, 1999 meeting, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Castello, Cespedes, Harland, Hoag, Holloway, Newsome,  
Rotz, Simon, Dobbins

NOES: None

ABSENT: Amundson

### BACKGROUND

The Commercial Loan and Exterior Rebate Program has been instrumental in improving commercial property in the Franklin Boulevard Redevelopment Area. The business community's interest in the program and the Agency's ability to identify new projects remains strong. Staff anticipates on-going need for this program and recommends that in addition to the on-going use of CDBG monies, that \$60,000 of Franklin Boulevard TI be allocated to the Commercial Loan and Exterior Rebate Program for use within the Franklin Boulevard Redevelopment Area.

The availability of TI to fund rebates creates an additional incentive for business and property owners to make improvements to their properties. Unlike projects funded with CDBG monies that are limited to improvements to the building, TI funded projects can include improvements to unattached signage, parking lots, fencing and landscaping. The ability to fund unattached property improvements results in more thorough projects with better street appeal and, therefore, a program that is more attractive to business and property owners.

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### Commercial Loan Program

This program was established in 1984 to provide loans to property owners and tenants for property acquisition and rehabilitation or new construction of commercial properties in targeted areas of the City and County of Sacramento. The program allows an eligible applicant who meets underwriting criteria to borrow a maximum of \$250,000. Since the program was established, six commercial loans have been funded in the Franklin Boulevard Redevelopment Area.

Notably, commercial loans were provided to revitalization projects such as Rick's Hacienda Restaurant at 3330 Fruitridge Road, Al's Furniture at 4613 Franklin Boulevard, and El Padrino's Restaurant at 6924 Fruitridge Road. A total of \$310,155 of Community Development Block Grant (CDBG) funds have been loaned, leveraging at least \$189,821 in private investment.

### Exterior Rebate Program

This program offers up to \$65,000 as a rebate to property and tenants for eligible improvements made to their buildings and properties in targeted areas of the City and County of Sacramento. Since 1986, 25 rebates have been provided in the Franklin Boulevard Redevelopment Area. A total of \$313,828 of CDBG funds have been invested, leveraging at least \$343,038 in private investment.

Notably, exterior rebates were provided to revitalize businesses such as Weidner Architectural Signage at 4517 Franklin Boulevard, Siam Restaurant at 5100 Franklin Boulevard, and Red's Plumbing at 4520 Franklin Boulevard.

### FINANCIAL CONSIDERATIONS

Amend the Agency budget to transfer \$60,000 from the Franklin Boulevard Developer Assistance Fund to the Commercial Loan Program and Exterior Rebate Program. A separate report before your body recommends the allocation of \$25,000 to Franklin Boulevard commercial revitalization services. Approval of both recommendations will result in a remaining balance of \$106,374. Staff is in discussion with the Franklin Boulevard Project Area Committee to prioritize the use of the remaining balance.

### POLICY CONSIDERATIONS

The action recommended in this report is consistent with the Franklin Boulevard Redevelopment Plan adopted December 14, 1993, and the Franklin Boulevard Implementation Plan adopted on November 22, 1994. No policy changes are recommended.

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**ENVIRONMENTAL REVIEW**

The proposed action does not constitute a project under CEQA per Guidelines Section 15378 (b) (3), nor a federal undertaking under NEPA.

**M/WBE CONSIDERATIONS**

The Agency's M/WBE policy will be followed for all construction related activities on federally funded projects.

Respectfully submitted,



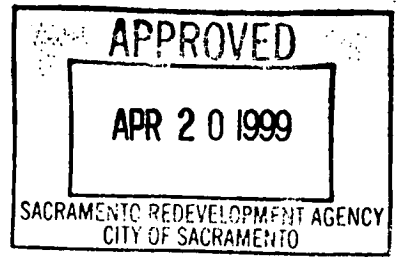
ANNE M. MOORE  
Executive Director

Transmittal approved,



ROBERT P. THOMAS  
City Manager





RESOLUTION NO. 99-014

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF \_\_\_\_\_

**ALLOCATION OF FRANKLIN BOULEVARD TAX  
INCREMENT REVENUE FOR EXISTING COMMERCIAL LOAN  
PROGRAM AND EXTERIOR REBATE PROGRAM**

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

Section 1. The budget of the Redevelopment Agency of the City of Sacramento is amended to transfer \$60,000 in funds from the Franklin Boulevard Developer Assistance Fund to the Commercial Loan Program and Exterior Rebate Program.

Section 2. The Sacramento Housing and Redevelopment Commission is authorized to make technical changes to the guidelines of the Commercial Loan Program and Exterior Rebate Program consistent with the adopted program as may be necessary to conform to funding requirements.

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
SECRETARY

\_\_\_\_\_  
FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_