



April 21, 1999

1.1

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: Conditional Approval of \$285,000 Loan, \$285,000 Grant, and Site Donation for Mutual Assistance Network (MAN) Neighborhood Central Project

**LOCATION AND COUNCIL DISTRICT**

Northwest Corner of Marysville Boulevard at Grand Avenue, Del Paso Heights  
Redevelopment Project Area, Council District 2.

**RECOMMENDATION**

Staff recommends adoption of the attached resolution, which authorizes the Redevelopment Agency of the City of Sacramento to:

- ◆ Approve Agency land disposition, a \$285,000 Developer Assistance Loan, and a \$285,000 grant conditioned on MAN's ability to secure grant funds from the Office of Community Services (OCS) of the Department of Health and Human Services (DHHS);
- ◆ Allocate \$570,000 from pending 1999 bond proceeds to the project conditioned on the receipt of the funds;
- ◆ Incorporate the loan, grant, and site transfer conditions into a Development and Disposition Agreement (DDA) contingent upon approval of the federal OCS grant and commitment of all funds necessary for the project.

**CONTACT PERSONS**

John Dangberg, Community Development Director, 440-1316  
Leslie Fritzsche, Program Manager, 440-1301

**FOR COUNCIL MEETING OF** May 6, 1999.

**SUMMARY**

This report recommends approval of a conditional loan, grant, and site donation to construct a mixed-use commercial project (See Attachment I) on Marysville Boulevard. The conditional

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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commitment of funds and site donation will provide a leverage opportunity for MAN to compete for OCS funding. MAN has lease commitments for 100% of the office space. Office tenants would be the County Neighborhood Services Agency, Sacramento Employment and Training Agency, and MAN (See Attachment II). The retail space is proposed for small businesses and MAN is in receipt of letters of interest from potential retail tenants. In the event MAN does not receive OCS funding this commitment will expire. This project will be brought back for final approval after all other funding sources have been secured and all project costs finalized.

### REDEVELOPMENT ADVISORY COMMITTEE ACTION

At its meeting of April 8, 1999, the Del Paso Heights Redevelopment Advisory Committee (RAC) recommended the conditional approval of a \$285,000 grant, a \$285,000 loan, and donation of the Agency-owned site at Marysville and Grand Avenue. The conditions of their approval are included herein as Attachment III. The votes were as follows:

AYES: Blue, Langston, Mack, Short, Velez-Balay, Vue

NOES: None

ABSTENTION: Ahkiong, Perlberger, Scoggins, and Wells

ABSENT: Barnes, Lee, Loree, Olivares, and Whittaker

### COMMISSION ACTION

At its meeting of April 21, 1999, the Sacramento Housing and Redevelopment Commission recommended approval of the attached resolution. The votes were as follows:

AYES: Amundson, Castello, Harland, Hoag, Newsome, Rotz, Simon

NOES: None

NOT PRESENT TO VOTE: Cespedes, Holloway

ABSENT: Dobbins

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## BACKGROUND

MAN's proposed Neighborhood Central project consists of approximately 17,000 square feet of commercial building space in a two-story, mixed-use building with offices and a small retail component (6,000 square feet). The building will be located on approximately three-fourths of an acre of land located at the northwest corner of Marysville Boulevard and Grand Avenue (See Attachment IV). The site is currently owned by the Agency. A landscaped public plaza area, lighting, and parking will be provided as part of the project.

Services to be provided from this location include job training, counseling, childcare, business planning, and welfare-to-work programs. The services will be coordinated with the new Urban League project that will be located within one block of Neighborhood Central.

MAN is a private non-profit community development corporation founded in 1993 (See Attachment V). The mission of the organization is to improve economic and social conditions of the Del Paso Heights neighborhood, utilizing the skills and talents of area residents. MAN's major programs are economic development, family support, youth mentoring and counseling, and the establishment of a new welfare-to-work model. They employ 70 staff, with 34.5 full time equivalent positions on a total annual operating budget of \$1.3 million. Primary sources of operating funds are through private foundations and governmental service contracts through SETA and the County of Sacramento.

On May 19, 1998, the Redevelopment Agency conditionally approved \$570,000 in funding and site donation for the purpose of MAN's application for 1998 OCS grant. While a strong contender, the grant was not funded during last year's funding cycle. MAN has responded to the deficiencies cited by OCS and is proceeding with a strengthened proposal for this year's funding cycle.

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Staff recommends a list of conditions tied to the funding recommendation (See Attachment V). The conditional funding approval recommendation provides for the rescission of the \$570,000 allocation and site donation on September 30, 1999, should MAN not be awarded the \$500,000 OCS grant. If OCS funding is granted, the funding recommendation will extend an additional six months, at which time MAN must provide evidence of significant progress or completion of the remaining fundraising required to develop the project. Once fundraising is complete, the loan, grant, and site transfer conditions will be incorporated into a DDA and be presented to the Del Paso Heights RAC, Agency Commission and Redevelopment Agency for necessary review and approvals.

Neighborhood Central has been designed in conformance with the adopted Urban Design Plan for Marysville Boulevard and advances the goals of revitalization of the commercial corridor. The project eliminates the blight of non-productive vacant land, conforms to City of Sacramento zoning requirements, and reflects the early California mission style of architecture identified in the Urban Design Plan. The project contributes to the creation of a town center on Marysville Boulevard and MAN's mission conforms to the community priority placed on neighborhood capacity building and job creation opportunities.

## FINANCIAL CONSIDERATIONS

Implementation of the Neighborhood Central development project requires financing as follows:

• Office of Community Services (DHHS) Grant	\$ 500,000
• Private Foundation and Corporation Funding	399,420
• Private Lender Loan	400,000
• <b>SHRA Low Interest Loan</b>	<b>285,000</b>
• <b>SHRA Grant</b>	<b>285,000</b>
• <b>SHRA Land Donation</b>	<b>75,000</b>
<b>TOTAL FINANCING</b>	<b>\$1,944,420</b>

Staff is recommending a total \$570,000 funding from pending 1999 Del Paso Heights bond proceeds. Agency funding is contingent upon receipt of the bond proceeds. It is anticipated that waiting for the bond proceeds will not affect the timing of the project since the bond issuance is scheduled to be completed by October and MAN will not hear about the award of the OCS grant funding until the end of September.

A detailed sources and uses budget is provided (See Attachment VI). In addition to the \$570,000 of funding, staff is recommending donation of the site, valued at \$75,000. A five-year pro forma analysis is also provided (See Attachment VII) in this report. The loan will be structured at a 4% rate for 25 years and include an initial two-year deferral to provide for time for lease-up.

MAN will pay property taxes for the retail portion of the development. Because MAN is a non-profit organization and the rest of the office tenants are providing social services to the

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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community, the office portion will be exempt from payment of taxes. Concurrent with the proposal to OCS, MAN will exercise due diligence in securing the balance of the funding.

## POLICY CONSIDERATIONS

The recommended action is consistent with previously approved policy described in the Fifth Plan Amendment to the Del Paso Heights Redevelopment and with California Redevelopment Law.

## ENVIRONMENTAL REVIEW

All public and private actions in furtherance of the Del Paso Heights Redevelopment Plan were deemed approved at the time of adoption of the Plan, per CEQA Guidelines, Section 15180, 15162 and 15163. No further CEQA documentation is required at this time. Per NEPA requirements, a Finding of No Significant Impact specific to this action will be published prior to the drawdown of federal funds for acquisition or construction.


## MBE/WBE

The MAN will be encouraged to utilize minority and women-owned businesses for contracting opportunities related to this project.

Respectfully submitted,

  
ANNE M. MOORE  
Executive Director

Transmittal approved,

  
for ROBERT P. THOMAS  
City Manager

27.1



Mutual Assistance Network  
Neighborhood Central Project  
Marysville Blvd., Sacramento, CA



ATTACHMENT IA



1512 J STREET SUITE 4  
SACRAMENTO, CA 95814-3014  
TELEPHONE 916.441.8800  
FACSIMILE 916.441.3200

**OWNER / DEVELOPER**  
Mutual Assistance Network of Del Paso Heights  
811 Grand Ave., Suite A-2  
Sacramento, CA 95838  
(916) 927.7694  
Contact: Brian Talcott

**ARCHITECT**  
Moniz and Rusconi Architect and Planners  
1812 J Street, Suite 4  
Sacramento, CA 95814-3014  
(916) 441-8800  
Contact: Mark Rusconi & Alicia Moniz

**SITE INFORMATION**

Area:	32,393 SF +/-
Zoning:	C2
Coverage:	
Buildings:	6502 SF +/-
Parking & Drive:	14261 SF +/-
Rear Plaza:	3255 SF +/-
Front Plaza:	630 SF +/-
Front Setbacks	
Hard or Soft:	1271 SF +/-
Landscape:	4449 SF +/-

**PARKING INFORMATION**

Required Parking:	
Retail-1 space per 250	= 24
Office-1 space per 400	= 27
Total	= 51
Parking Shown:	
Standard 8 x 18	= 35
Accessible 9 x 18	= 2
Compact 7.5 x 16	= 14
Total	= 51

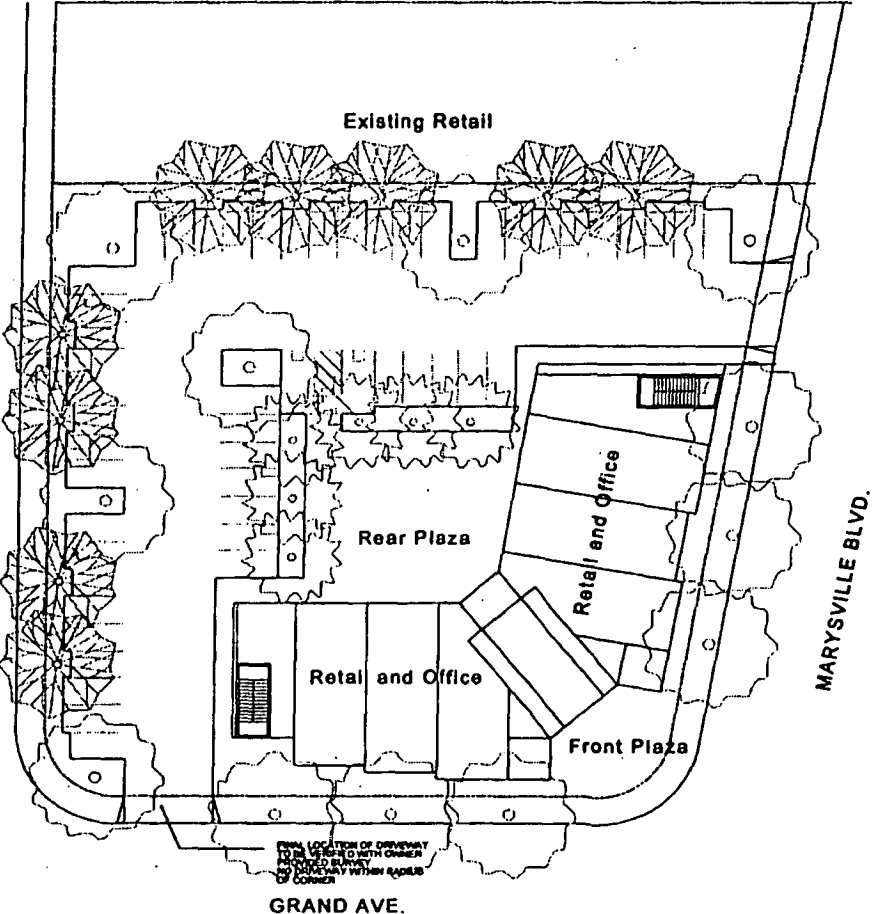
**BUILDING INFORMATION**

Number of Stories:	2
Gross Area:	
Ground Floor:	
Retail:	6000 SF
Office:	2400 SF
Second Floor:	
Office:	6400 SF
Total Area:	16800 SF +/-

CONSULTANT  
  
PROJECT  
MAN NEIGHBORHOOD CENTRAL PROJECT  
Marysville Blvd. Sacramento, CA

REVISIONS  
  
DATE MARCH 28, 1999  
JOB NO.  
DRAWN BY: RUSCONI  
DRAWING NO.

1  
OF SHEETS



**SITE PLAN**  
SCALE: 1" = 10'-0"



**COUNTY OF SACRAMENTO  
DEPARTMENT OF HUMAN ASSISTANCE**

2433 Marconi Avenue  
Sacramento, CA 95821-4807  
Voice (916) 875-3611  
Fax (916) 875-3591

March 16, 1999

**CHERYL S. DAVIS**  
*director*

**LIN BATTEN**  
*deputy director  
employment  
&  
supportive services*

**LYNN FRANK**  
*deputy director  
administration  
&  
community services*

James Johnson, Executive Director  
Mutual Assistance Network of Del Paso Heights  
811 Grand Avenue, Suite A-2  
Sacramento, CA 95838

Dear Mr. Johnson:

The Department of Human Assistance (DHA) is excited to commit to your Neighborhood Central Project. We see the project as a serious contributor to developing the potential for neighborhood economic and community development in Del Paso Heights.

We would like to take this opportunity to commend you and the Mutual Assistance Network (MAN) for the progress made in Del Paso Heights thus far. The Neighborhood Central Project represents a very positive addition to the coordinated services and programs located in this community which include your organization, the Neighborhood Service Agency (NSA) and many other organizations and individuals. The Neighborhood Central Project fulfills an essential component of the "Del Paso Height Model", developed in 1992; for the NSA to occupy neighborhood office space separate from regular DHA and Department of Health & Human Services bureau offices.


After five years of operation, the NSA's multi-disciplinary team consists of 25 staff members. We anticipate, based upon your Office Space Workshops held in 1997 that we will need and are committed to the following office space:

Office space for approximately 25 staff:	3,368 square feet
Shared common space:	1,129 square feet
Total:	<u>4,767 square feet</u>

The Department of Human Assistance is committed to lease 4,767 square feet of office space in the Neighborhood Central Project at a rate of \$1.00 per square foot, or \$4,767.00 per month (\$57,204.00 annually), for a lease period of five (5) years. This commitment is based upon the condition that the Mutual Assistance Network is successful in developing this building project and subject to approval by the Sacramento County Board of Supervisors.

On behalf of the Department of Human Assistance, I look forward to the Neighborhood Service Agency occupying space in your building, further strengthening the ability of the Del Paso Heights neighborhood to achieve its community objectives.

Sincerely,

  
Cheryl S. Davis

CSD:JR:jal





Sacramento  
Employment and  
Training  
Agency

Administration: 1217 Del Paso Blvd. • Sacramento, CA 95815 • (916) 263-3800  
Operations: 1215 Del Paso Blvd. • Sacramento, CA 95815 • (916) 263-3700  
Head Start: 3750 Rosin Court, Ste. 100 • Sacramento, CA 95834 • (916) 263-3804

March 8, 1999

Mr. James Johnson, Executive Director  
Mutual Assistance Network of Del Paso Heights  
811 Grand Avenue, Suite A-2  
Sacramento, CA 95838

Dear Mr. Johnson:

This letter of commitment is in support of your Neighborhood Central Project. Over the past three years SETA has participated in the initial planning of this project, and is committed to leasing approximately 2,000 square feet of office space (this figure includes agency-specific and shared common areas). This project is important since it will serve as a catalyst to promote neighborhood economic-and community development in Del Paso Heights.

We would like to take this opportunity to commend you and the M.A.N. for the progress made on this project, and in Del Paso Heights thus far. The Neighborhood Central Project represents a very positive addition to the coordinated services and programs located in this community which include your organization, SETA and the Las Palmas Sacramento Works Career Center, the Neighborhood Service Agency and many other organizations and individuals. The Neighborhood Central Project is expected to generate a substantial number of permanent new jobs for our agency's target group. Building upon our agencies' cooperative service delivery approach (Sacramento Works), the Neighborhood Central Project will enhance the coordination between those seeking employment and/or training and available employment opportunities within the neighborhood and city. At Neighborhood Central, SETA will certify customers for the Job Training Partnership Act (JTPA) and provide needed training when training is a requirement of the job.

SETA is a participating and contributing agency in the "Neighborhood System" the MAN is currently coordinating to better address the economic needs of individuals and families dependent upon public assistance. We anticipate that SETA's staff located at Neighborhood Central will consist of 2 staff members. Based upon the outcomes of your Office Space Workshops held in 1997 we will need and are committed to the following office space:

Office space for 2 staff:	Total
1 - Community Services Specialist (SETA)	
1 - Intake Worker	
Resource Area for Job Listings and Computers	1,194 square feet
Shared common space:	806 square feet
	<b>2,000 square feet</b>

Mr. James Johnson, Executive Director  
Mutual Assistance Network of Del Paso Heights  
March 8, 1999  
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SETA intends to lease 2,000 square feet of fully serviced office space in the Neighborhood Central Project at a rate of \$1.00 per square foot, \$2,000 per month (\$24,000 annually), for a lease period of 3 years. This commitment is, of course, based upon the conditions that the Mutual Assistance Network is successful in developing this building project, that federal procurement procedures are followed, and approval of the final lease is made by the SETA Governing Board.

We are excited to participate in a project of this scale which will help develop meaningful and decent paying jobs for our customers while also enhancing the neighborhood physically and economically. We believe that the Neighborhood Central Project will further increase the capability of the Del Paso Heights neighborhood to achieve its community objectives.

Sincerely,



Kathy Kossick  
Executive Director

KK:ccg

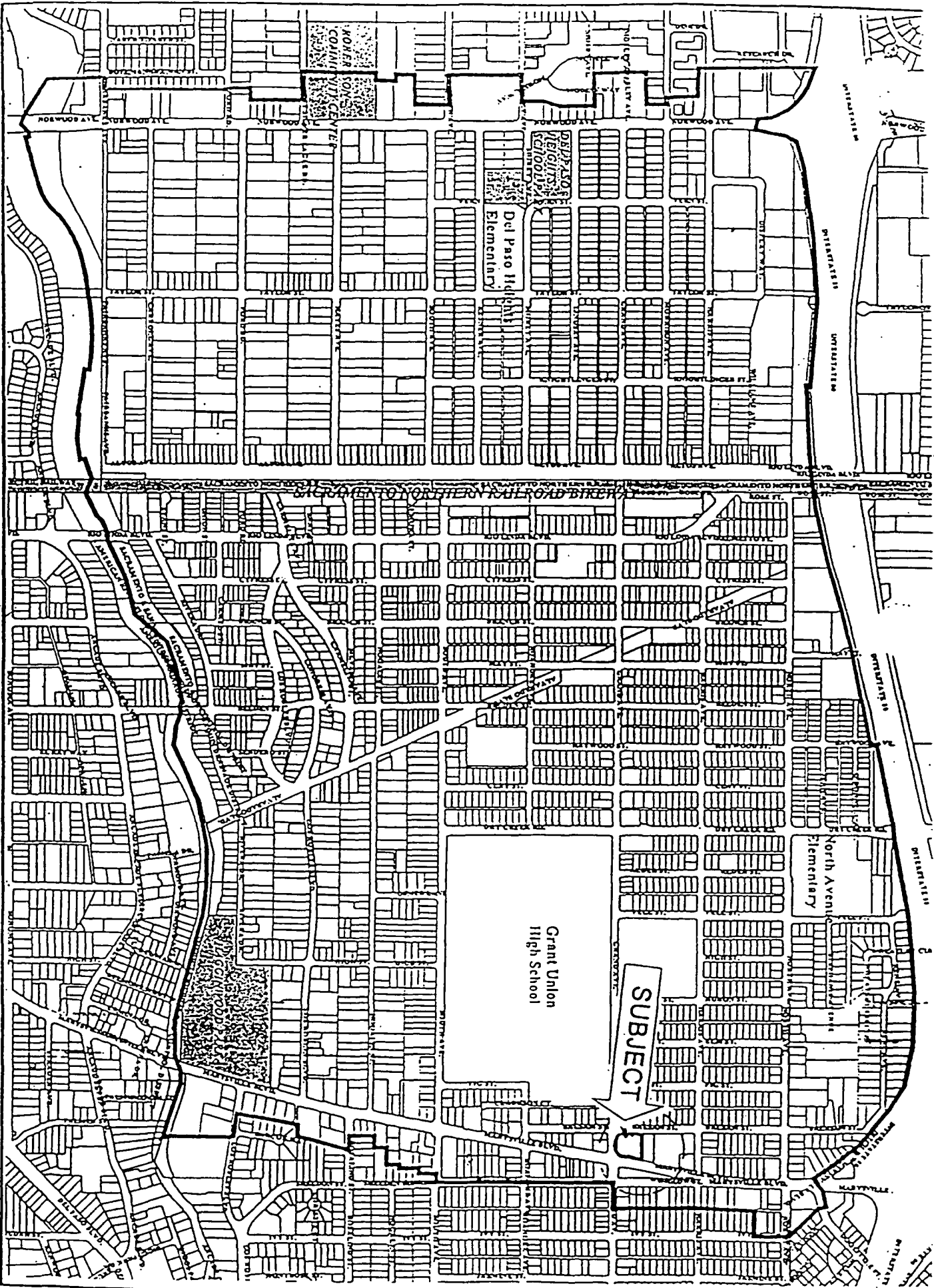
**RECOMMENDED CONDITIONS OF APPROVAL**

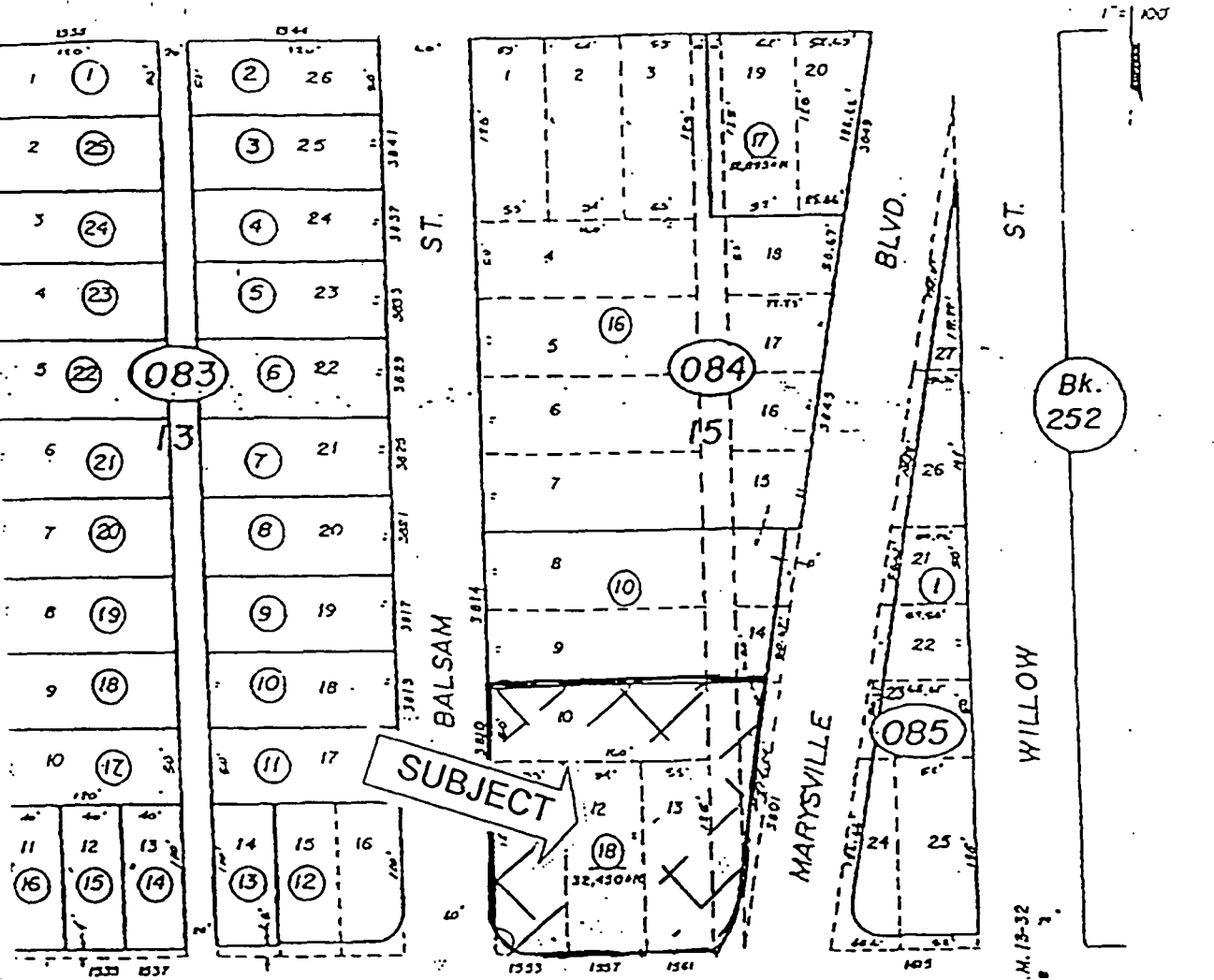
Staff recommends approval of the MAN *Neighborhood Central* project, subject to the following conditions:

1. This conceptual approval is conditioned upon all aspects of the project being returned to the Redevelopment Advisory Committee and the governing bodies for final approval.
2. Evidence of all grant and loan commitments must be received by SHRA prior to release of funds;
3. Evidence of award of OCS grant must be presented. If the OCS grant is not awarded, the funding and site commitments will be released effective September 30, 1999;
4. If OCS grant is awarded, MAN will have six months to obtain or make significant progress in obtaining the remainder of the funding. MAN will report back to the RAC no later than the March 2000 RAC meeting regarding the status of their fundraising activities. Staff will carry a recommendation regarding continuing or releasing the funding commitments at that time.
5. Approximately 3,000 square feet of retail space will be leased at a rate not less than \$.50 per square foot and 10,000 square feet of office space will be leased at a rate not less than \$1 per square foot prior to release of funds;
6. Property taxes will be paid on the 6,000 square feet of retail space;
7. SHRA will have the right to review retail/business tenant credit worthiness;
8. MAN administrative costs will not be financed in the project capital budget or paid for with Agency funds;
9. Agency funding will be adjusted based on awarded bidding to a maximum of 30% of total costs, not to exceed \$570,000. Construction will be publicly bid (and based on Davis-Bacon, if required);
10. Building and site design will conform to Marysville Boulevard Urban Design Plan and Design Review recommendations;
11. Loan, grant, and site provision terms and conditions are subject to a formal DDA to be approved by City Council;

12. Funding is subject to applicant's receipt of all necessary approvals of planning, zoning, building, parking, and other conditions/permits as required by the City of Sacramento.
13. Agency funding is contingent upon receipt of the bond proceeds.

# Del Paso Heights Redevelopment Project Boundary Map





City of Sacramento

All of Lots 10, 11, 12 and 13, the Southerly portion of Lot 14 and all that portion of the abandoned alley lying between said Lots 13 and 14, Block 15, as shown on the "Plat of East Del Paso Heights", Recorded in the office of the County Recorder of Sacramento County, August 8, 1912 in Book 13 of Maps, Map No. 32, more particularly described as follows:

Beginning at the Southeast corner of said Lot 13, said corner being the point of intersection of the Northerly line of Grand Avenue and the Westerly line of said abandoned alley; thence, along the Northerly line of said Grand Avenue, South 89° 02' 30" West 160 feet to the Southwest corner of said Lot 11; thence, along the West line of said Lots 11 and 10, North 01° 42' West 175 feet to the Northwest corner of said Lot 10; thence, along the North line of said Lot 10, North 89° 02' 30" East 160 feet to the Northeast corner thereof and a point in the Westerly line of said abandoned alley; thence continuing North 89° 02' 30" East 46.60 feet along the North line of said Lot 10 projected and across Lot 14 to a point in the Westerly line of Marysville Road; thence, along the Westerly line of Marysville Road, South 08° 22' West 152.16 to a point common to the Southerly corner of said Lot 14 and the intersection of Marysville Road and the above mentioned alley; thence across said alley South 37° 26' West 31.69 feet to the point of beginning.

Assessor's Parcel Number: 251-0084-018-0000

## Profile of Mutual Assistance Network,

### a Private Non-Profit Community Development Corporation

Mutual Assistance Network was founded in 1993. The Mutual Assistance Network of Del Paso Heights is a private non-profit community development corporation which provides economic development, job training, peer counseling, and welfare transition services to the communities of Del Paso Heights and Strawberry Manor. The mission of the organization is to improve economic and social conditions of the Del Paso Heights neighborhood utilizing the skills and talents of area residents.

MAN's formal mission statement incorporates the following objectives:

- \* expand commercial financial and employment opportunities for neighborhood residents
- \* to improve physical, public safety, educational and social conditions in the neighborhood
- \* to stimulate and build self-help with mutual assistance programs that enable residents to work together to achieve good health and successful lives and to promote, conduct, and operate any programs, businesses, and other activities necessary to achieve these goals.

Primary source of annual operating funds is through private foundations and governmental service contracts through SETA and the County of Sacramento. Total annual operating budget is presently approximately \$1.3 Million. MAN's existing staffing is 70 with 34.5 full time equivalent positions. Major programs delivered in the neighborhood are family support services, youth mentoring and counseling, and the establishment of a new welfare to work model. The proposed Neighborhood Central facility would house these and future social and economic development services.

MAN policies call for strong neighborhood participation in staffing and on their executive board-- 70% of staff are residents and 75% of board members must reside in the neighborhood.

NEIGHBORHOOD CENTRAL  
PROJECT DEVELOPMENT BUDGET  
SOURCES AND USES OF FUNDS

PROJECT BUDGET: USES			
* 1.	Land Acquisition Cost and Rel	\$ 75,000	
2.	On and Off Site Improvements and Basic Construction (16,800 sf @ \$85)	1,428,000	
* 3.	Construction Contingency (5%)	71,400	
4.	Architect: design & supervision contingency & reimbursables	70,000	
5.	Construction Management	26,000	
6.	Construction Permits & Other Fees	75,000	
7.	Construction Period Prop Tax & Other Carrying Costs	9,520	
8.	Construction Period Insurance	5,000	
9.	Construction Period Utilities		
10.	Construction Loan Fees & Points	6,000	
* 11.	Construction Period Interest	18,000	
* 12.	Permanent Loan Fees	0	
13.	Title & Recording	2,500	
14.	Appraisal	2,500	
15.	Property Survey	2,000	
16.	Environmental Report and Soils Testing	5,000	
17.	Accounting	1,500	
18.	Legal	2,000	
19.	Organization Costs	0	
20.	Project Management Expenses	140,000	
21.	Marketing and Leasing	5,000	
22.	Predevelopment Loan Interest	0	
	<b>TOTAL DEVELOPMENT COSTS</b>	<b>\$ 1,944,420</b>	
FINANCING: SOURCES OF FUNDS			
1.	Office of Community Services (DHHS) Grant	\$ 500,000	25.7%
2.	Private Foundation and Corporation Grants	399,420	20.5%
3.	Community Development Loan	400,000	20.6%
4.	SHRA Low Interest Loan	285,000	14.7%
5.	SHRA Grant	285,000	14.7%
6.	SHRA Land Donation	75,000	3.9%
	<b>TOTAL FINANCING</b>	<b>\$ 1,944,420</b>	<b>100%</b>

\* See notes and assumptions, page 2

manbudget -



**MAN'S NEIGHBORHOOD CENTRAL PROJECT  
INCOME AND EXPENSE PROJECTIONS**

Attachment VII

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>INCOME</b>					
Gross Office Income \$1sq.ft.w/3%annual	\$129,600	\$133,488	\$137,492	\$141,617	\$145,866
Vacancy ( 5% Yr 1)	\$6,480	\$6,674	\$6,875	\$7,081	\$7,293
Net Office Income	\$123,120	\$126,814	\$130,617	\$134,536	\$138,573
Gross Retail Income .50 sqft/.55)	\$36,000	\$36,000	\$39,600	\$39,600	\$39,600
Net Vacancy (50%,45%,30%,30%,30%)	\$18,000	\$16,200	\$11,880	\$11,880	\$11,880
Net Retail Income	\$18,000	\$19,800	\$27,720	\$27,720	\$27,720
<b>EFFECTIVE GROSS INCOME</b>	<b>\$141,120</b>	<b>\$146,614</b>	<b>\$158,337</b>	<b>\$162,256</b>	<b>\$166,293</b>
<b>EXPENSES</b>					
Management	\$ 6,642	\$ 8,473	\$ 9,128	\$ 9,968	\$ 9,968
Security and Maintenance	\$ 15,720	\$ 16,349	\$ 17,003	\$ 17,683	\$ 18,390
Grounds Maintenance	\$ 3,960	\$ 4,118	\$ 4,283	\$ 4,454	\$ 4,633
Janitorial	\$ 9,840	\$ 10,234	\$ 10,643	\$ 11,069	\$ 11,511
Property Tax	\$ 11,520	\$ 11,520	\$ 11,520	\$ 11,520	\$ 11,520
Insurance	\$ 5,130	\$ 5,335	\$ 5,549	\$ 5,771	\$ 6,001
Gas and Electricity	\$ 22,320	\$ 23,213	\$ 24,141	\$ 25,107	\$ 26,111
Water and Sewer	\$ 1,800	\$ 1,872	\$ 1,947	\$ 2,025	\$ 2,106
Garbage	\$ 2,640	\$ 2,746	\$ 2,855	\$ 2,970	\$ 3,088
Replacement Reserves	\$ 6,642	\$ 8,473	\$ 9,128	\$ 9,677	\$ 9,968
<b>TOTAL Expenses</b>	<b>\$ 86,214</b>	<b>\$ 92,333</b>	<b>\$ 96,197</b>	<b>\$ 100,657</b>	<b>\$ 103,296</b>
<b>NET OPERATING INCOME</b>	<b>\$ 54,906</b>	<b>\$ 54,281</b>	<b>\$ 62,140</b>	<b>\$ 61,599</b>	<b>\$ 62,997</b>
<b>ANNUAL DEBT SERVICE (Bank) (400,000@9%,25y)</b>	<b>\$40,281</b>	<b>\$40,281</b>	<b>\$40,281</b>	<b>\$40,281</b>	<b>\$40,281</b>
Agency Land 285,000,def. To 3rd y , 4%; 25y	\$0	\$0	\$18,052	\$18,052	\$18,052
<b>NET INCOME</b>	<b>\$ 14,625</b>	<b>\$ 14,000</b>	<b>\$ 3,807</b>	<b>\$ 3,266</b>	<b>\$ 4,664</b>



RESOLUTION NO. 99-018

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF \_\_\_\_\_

**MUTUAL ASSISTANCE NETWORK, NEIGHBORHOOD CENTRAL PROJECT:  
CONDITIONAL FUNDING APPROVAL FOR DEVELOPMENT OF  
PROPERTY LOCATED AT THE CORNER OF MARYSVILLE BOULEVARD  
AND GRAND AVENUE;**

WHEREAS, the Redevelopment Agency of the City of Sacramento (Agency") has adopted the Del Paso Heights Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for the Del Paso Heights Project Area ("Project Area");

WHEREAS, Mutual Assistance Network ("MAN") is competing for a Federal Office of Community Services ("OCS") grant to develop a mixed-use commercial project, "Neighborhood Central," on Marysville Boulevard in the Del Paso Heights Redevelopment Project Area;

WHEREAS, OCS grant application requires a commitment of local matching funds; and

WHEREAS, the project would contribute to the creation of a town center on Marysville Boulevard and is consistent with the Implementation Plan.

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

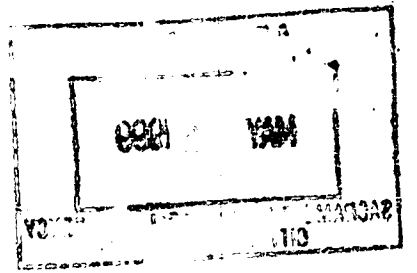
Section 1. Provided that the Redevelopment Agency of the City of Sacramento obtains 1999 bond proceeds, matching funds in the amount of \$570,000 consisting of both a \$285,000 grant and a \$285,000 loan, are conditionally approved in support of Mutual Assistance Network's grant application to the Federal Office of Community Services, due May 1999.

Section 2. The funds identified in Section 1 shall be reserved for the Neighborhood Central project, provide that MAN succeeds in obtaining OCS grant funds in an amount not less than \$500,000 and additional private funding in an amount not less than \$750,000 and provided that the Agency is able to and does make all findings and approvals necessary for the Neighborhood Central project.

**FOR CITY CLERK USE ONLY**

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

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



Section 3. Staff is authorized to negotiate a disposition and development agreement for the Neighborhood Central project and is directed to return to the Agency for approval.

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CHAIR

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SECRETARY

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**FOR CITY CLERK USE ONLY**

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

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