

## RESOLUTION NO. 2006-053

Adopted by the Redevelopment Agency  
of the City Of Sacramento

October 10, 2006

### APPROVAL OF DISPOSITION AND DEVELOPMENT AGREEMENT, REGULATORY AGREEMENT AND \$1,500,000 LOAN WITH JOHNSON-WARREN PARTNERS, LLC FOR DEVELOPMENT OF RETAIL/COMMERCIAL STRUCTURE AT 3801 MARYSVILLE BOULEVARD; RELATED BUDGET AMENDMENT

#### BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Del Paso Heights Redevelopment Plan ("Redevelopment Plan") and a 2003–2007 Implementation Plan for the Del Paso Heights Project Area ("Project Area").
- B. Agency owns certain real property generally described as being located at 3801 Marysville Boulevard (APN 251-0084-018) in the Project Area ("Property").
- C. Johnson-Warren Partners, LLC ("Developer") desires to enter into a Disposition and Development Agreement ("DDA") and a Loan Agreement in the amount of \$1,500,000 with the Agency to provide for the conveyance to and development of the Property by Developer for construction of a two-story retail/commercial building offering approximately 16,000 square feet of space and on-site accessory parking; as more specifically described in the DDA and Loan Agreement (collectively, "Project"), copies of which are on file with the Agency Clerk.
- D. In accordance with the California Environmental Quality Act ("CEQA") and its implementing regulations, the sale of the Property and the development of the Project are exempt under CEQA Guidelines Section 15332 as an infill project as described in the accompanying staff report.
- E. A report under Health and Safety Code Section 33433 ("Section 33433 Report") has been prepared, filed with the Agency Clerk, and made available for public review pursuant to Section 33433.
- F. Proper notice of this action has been given and a public hearing has been held in accordance with Health and Safety Code Sections 33431 and 33433.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. The Executive Director, or her designee, is directed to prepare a Notice of Exemption based on the findings in the accompanying staff report in accordance with CEQA Guidelines Section 15332.
- Section 2. The sale of the Property and construction of the Project pursuant to the DDA and the Loan Agreement is consistent with the goals and objectives of the Redevelopment Plan to remove blight, promote neighborhood-serving businesses and an economically viable community. The sale of the Property and construction of the Project pursuant to the DDA and the Loan Agreement is consistent with the Implementation Plan. The Project will assist in the elimination of blight as stated in the 33433 Report. The DDA shall be deemed an implementing document approved in furtherance of the Redevelopment Plan and Implementation Plan for the Project Area, and all applicable land use plan, studies, and strategies.
- Section 3. The Report as required under Health and Safety Code Section 33433 is hereby approved.
- Section 4. The consideration for the Agency's conveyance of the Property to Developer is the Developer obligations under the DDA, and the fair reuse value of the Property with the covenants, conditions, restrictions required by the DDA and Grant Deed, is One Dollar.
- Section 5. The Agency Budget is hereby amended to appropriate \$1,500,000 from Del Paso Heights tax exempt bond proceeds to the Project.
- Section 6. The Loan Agreement with the Developer providing \$1,500,000 to fund construction of the Project, whereby the loan is forgivable over the 15 year term as long as the Property is used as a commercial retail/office building, and the Property is maintained pursuant to the terms of the Regulatory Agreement, are hereby approved.
- Section 7. The Disposition and Development Agreement, Loan Agreement and Regulatory Agreement are approved and the Executive Director is authorized to execute the DDA, Loan Agreement and related conveyance documents including without limitation the Grant Deed and Escrow Instructions as described in the DDA, substantially in the form on file with the Agency Clerk, and to perform other actions as necessary to implement the terms of the DDA and Loan Agreement.

Adopted by the City of Sacramento Redevelopment Agency on October 10, 2006 by the following vote:

Ayes: Members Cohn, Fong, Hammond, McCarty, Sheedy, Tretheway, Waters, and Chair Fargo.

Noes: None.

Abstain: None.

Absent: Member Pannell.

  
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Heather Fargo, Chair

Attest:

  
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Shirley Concolino, Secretary