

RESOLUTION NO. 2005-586

Adopted by the Sacramento City Council

August 2, 2005

APPROVING OF \$931,000 LOAN; EXECUTION OF LOAN AGREEMENT AND RELATED DOCUMENTS WITH THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO; RELATED BUDGET AMENDMENT FOR GREENFAIR PROJECT:

BACKGROUND

- A. In August 2004, the Housing Authority of the City of Sacramento ("Authority") purchased 152 vacant buildings and parcels from the US Department of Housing and Urban Development at the former Greenfair site, which it intends to transfer to a qualified development team as a part of a larger redevelopment strategy.
- B. In March 2005, the City Council approved the allocation of \$1,200,000 in City Home Investment Partnership Program (HOME) funds to the Authority for its purchase of up to six remainder units (7 Fiesta Court, 253, 289, 293, 313 and 687 Fairgrounds Drive) at the Greenfair site.
- C. In March and May 2005, the Housing Authority purchased two of these properties (7 Fiesta Court and 687 Fairgrounds Drive) using approximately \$456,000 of this funding, bringing the total Authority holding to 154 parcels. After these purchases, approximately \$744,000 of this original property acquisition loan remains outstanding.
- D. In May 2005, the City Council of the City of Sacramento approved the release of a Request for Qualifications to seek a development team to purchase, design and develop a new housing development on the former Greenfair site.
- E. The Housing Authority desires to acquire the four remaining units (253, 289, 293 and 313 Fairgrounds Drive) and demolish eleven standing units using the outstanding \$744,000 from the original loan and an additional \$931,000 in City HOME funding in order to redevelop the Greenfair site to provide affordable homeownership housing, which is consistent with HUD's HOME program.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action are approved.
- Section 2. Sacramento Housing and Redevelopment Agency ("SHRA") is authorized to amend the Agency Budget to decrease the HOME Loan Fund by \$931,000 and to allocate those funds to the Greenfair project.

Section 3. The SHRA is authorized to execute loan documents for a \$931,000 loan with the Housing Authority of the City of Sacramento to fund the Authority's purchase of 253 Fairgrounds Drive, 289 Fairgrounds Drive, 293 Fairgrounds Drive and 313 Fairgrounds Drive, relocation of current residents and demolition of eleven standing units.

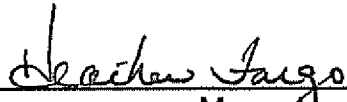
Adopted by the City of Sacramento City Council on August 2, 2005 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters and Mayor Fargo.

Noes: None

Abstain: None

Absent: None



Mayor Heather Fargo



Shirley Concolino, City Clerk