

31-1

CITY OF SACRAMENTO



DEPARTMENT OF LAW
812 TENTH STREET SACRAMENTO, CA 95814
SUITE 201 TELEPHONE (916) 449-5346

CITY MANAGER'S OFFICE
RECEIVED
DEC 13 1983

JAMES P. JACKSON
City Attorney
THEODORE H. KOBEY, JR.
Assistant City Attorney
LELIAND J. SAVAGE
SAMUEL L. JACKSON
WILLIAM P. CARNAZZO
DIANE B. BALTER
RICHARD F. ANTOINE
Deputy City Attorneys

December 13, 1983

City Council
City Hall
Sacramento, CA 95814

Re: Resolution approving Agreement with County of Sacramento for construction of temporary housing facilities at 2100 Front Street

Dear Council Members:

I have been asked by the City Manager and Ron Kane of the County of Sacramento to prepare the attached resolution and agreement. The agreement provides for the construction by the County of Sacramento of a 4,000 square foot building at 2100 Front Street to provide temporary housing until March 31, 1984 for persons who are presently without living accommodations. The agreement is similar to the one approved by the Council on November 22, 1983 providing temporary facilities at 2700 Front Street. The agreement is being placed on the agenda as an additional item because the County wishes to commence construction of the building at the earliest possible time.

RECOMMENDATION

Approval of the agreement is recommended by the City Manager.

Very truly yours,

James P. Jackson
JAMES P. JACKSON
City Attorney

Attachment

RECOMMENDATION APPROVED:

Walter J. Sliper

CITY MANAGER

APPROVED *AC 83103*
BY THE CITY COUNCIL

DEC 13 1983

OFFICE OF THE
CITY CLERK



RESOLUTION NO. 83-993

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION AUTHORIZING CITY MANAGER TO
EXECUTE AGREEMENT WITH COUNTY OF SACRAMENTO
RELATING TO CONSTRUCTION OF TEMPORARY FACILITIES
FOR HOUSING PERSONS AT 2100 FRONT STREET

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the License Agreement dated December 13, 1983 between the City of Sacramento and the County of Sacramento, relating to the construction of temporary facilities for housing persons at 2100 Front Street, Sacramento, is hereby approved, and the City Manager is authorized and directed to execute said License Agreement on behalf of the City of Sacramento.

MAYOR

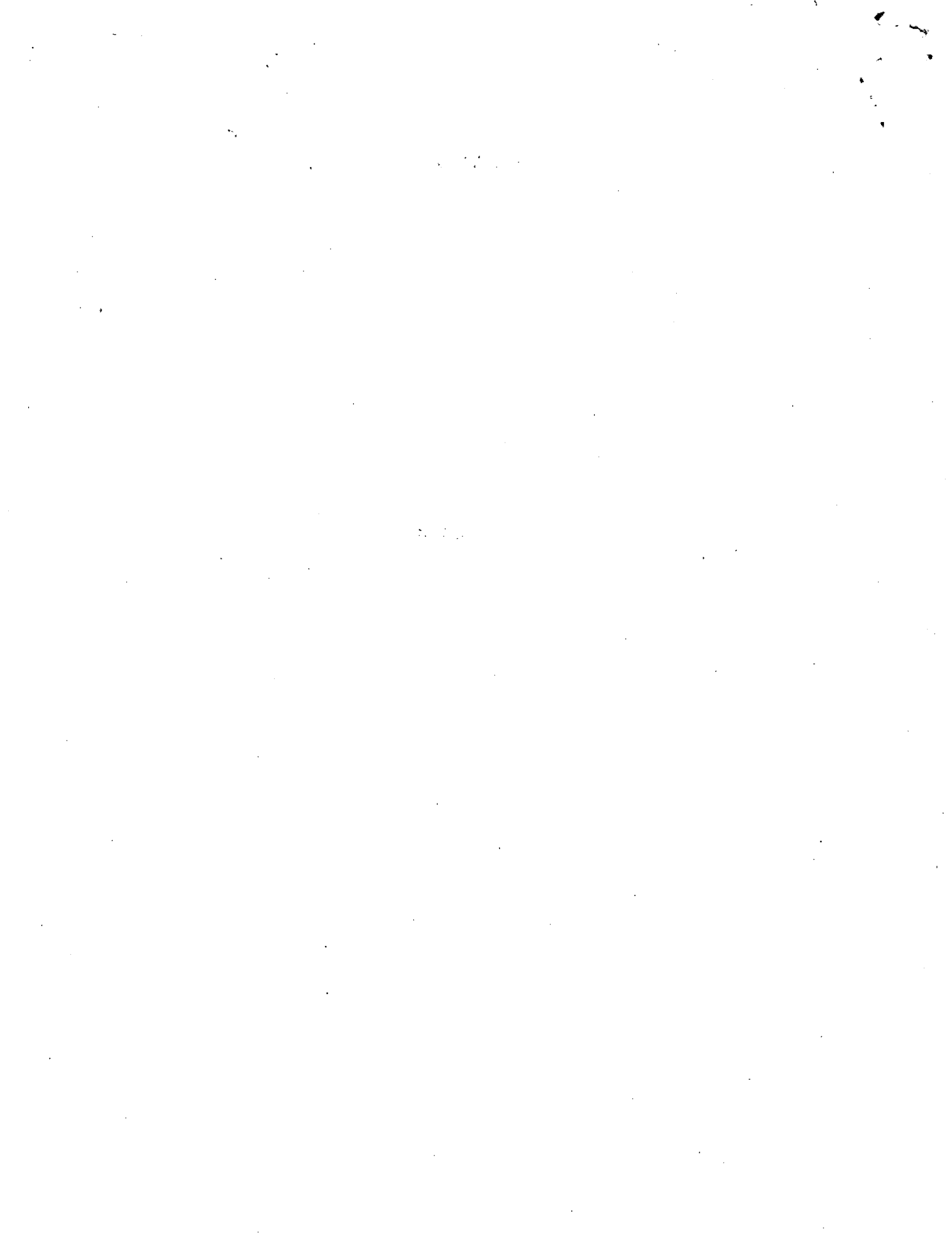
ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

DEC 13 1983

OFFICE OF THE
CITY CLERK





CITY OF SACRAMENTO

OFFICE OF THE CITY CLERK

915 I STREET
CITY HALL ROOM 203

SACRAMENTO, CALIFORNIA 95814
TELEPHONE (916) 448-5428

LORRAINE MAGANA
CITY CLERK

December 28, 1983

Toby Johnson, Pro-tem Chairperson
Board of Supervisors
700 H Street, Suite 2450
Sacramento, CA 95814

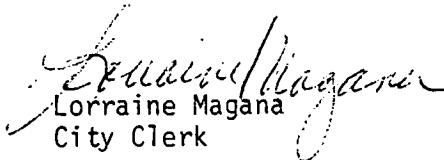
RE: City Agreement No. 83102

Dear Mr. Johnson:

On December 13, 1983, the Sacramento City Council adopted a resolution authorizing the execution of an agreement with the County of Sacramento relating to construction of temporary facilities for housing persons at 2100 Front Street.

Enclosed, for your records, is one fully certified copy of said agreement and certified resolution authorizing same.

Sincerely,


Lorraine Magana
City Clerk

LM:mjw:31-1

Enclosure

cc: Law
Risk Management



Agency Rpt

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

December 5, 1983

Sacramento County Board of Supervisors
Redevelopment Agency of the
County of Sacramento

Sacramento City Council
Redevelopment Agency of the
City of Sacramento
Sacramento, California



DEC 13 1983

Honorable Members in Session:

SUBJECT: Addendum to Evaluation of the Sacramento Housing
and Redevelopment Agency's Economic Development
Program and Recommendations for 1984

SUMMARY

Since release of the initial evaluation report on November 21, (original transmittal letter attached) Agency staff has met with the two economic development program operators most affected by the evaluation recommendations (Economic Development Foundation (EDF) and Fruitridge Development Corporation (FDC)) to discuss the evaluation's findings and recommendations. This report presents supplemental recommendations designed to ease the transition between our existing program and the program format recommended for future operations as contained in the original evaluation report.

BACKGROUND

The evaluation report recommends a competitive selection process for business development coordinators on each of our selected target commercial strips. This would have an obvious impact on our existing contractors in that their contracts would be terminated, effective January 1, 1984.

Rather than abruptly terminating our existing program on that date, we are suggesting an extension of both EDF's and FDC's

12-13-83

All Districts

(1)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Sacramento County Board of Supervisors
Redevelopment Agency of the County of Sacramento

Sacramento City Council
Redevelopment Agency of the City of Sacramento

Page Two

existing contract for three months, which we estimate to be the period during which we will be in the process of competitively selecting the new participants. If the selection process is not concluded by April 1, 1984, the existing contracts will be extended on a month to month basis until it is. With respect to EDF's contract, they would receive their performance bonus, as outlined in their existing contract, if they are able to close, during the first six months of 1984, those loans which they have previously originated.

As previously stated, both EDF and FDC are invited to participate in the competitive selection process for the new commercial strip business coordinator contracts.

FINANCIAL DATA

Extension of the current contracts and EDF's performance bonus would result in the following expenditures:

EDF monthly payment @ \$4,458/mo. x 3 mos.	=	\$13,374 (County)
FDC monthly payment @ \$3,368/mo. x 3 mos.	=	\$10,104 (City)
EDF performance bonus (maximum allowable)	=	<u>\$30,000</u> (County)
TOTAL:		\$53,478

All funds would come from City and County CDBG funds which have been previously allocated for economic development. No new allocation is required.

POLICY IMPLICATIONS

The program modifications inherent in the change from the existing system to the concept of individual commercial strip coordinators is the same as previously noted.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of December 5, 1983, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolutions. The votes were as follows:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Sacramento County Board of Supervisors
Redevelopment Agency of the County of Sacramento

Sacramento City Council
Redevelopment Agency of the City of Sacramento

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AYES: Amundson, Angelides, Glud, Hall, Luevano, Miller,
Moose, Pettit, Teramoto, Vargas, Walton

NOES: None

ABSTAIN: Ose

ABSENT: Luttrell

RECOMMENDATION

Staff recommends adoption of the recommendations and resolutions presented in the November 21, 1983 report.

Additionally, staff recommends adoption of the attached resolutions authorizing the Executive Director to extend the Economic Development Foundation and Fruitridge Development Corporation contracts for three months, to March 31, 1984 and, as necessary, monthly thereafter, and to extend the Economic Development Foundation bonus provisions through June 30, 1984.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe

WALTER J. SLIPE
City Manager

APPROVAL RECOMMENDED:

Brian H. Richter

BRIAN H. RICHTER
County Executive

83-092 32
RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO **APPROVED**
ON DATE OF SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

ECONOMIC DEVELOPMENT PROGRAM

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO: **DEC 13 1983**

Section 1. The Redevelopment Agency hereby:

(a) Reconfirms the policy of targeting of Community Development Block Grant Commercial Rehabilitation and Development funds into certain portions of Del Paso Boulevard, 12th Street, Stockton Boulevard, Franklin Boulevard and the Meadowview Road/24th Street area.

(b) Authorizes the Executive Director to proceed with a Request for Proposals for a commercial bank to assist in the Agency Commercial Rehabilitation and Commercial Development loan program.

(c) Directs the Executive Director to report back to the Agency as soon as possible with revised loan processing guidelines and procedures for the Economic Development Loan Program.

(d) Directs the Executive Director to proceed with a Request for Proposals for selection of business coordinators for designated portions of Franklin Boulevard and Stockton Boulevard.

(e) Establishes, beginning January 1, 1984, that any organization assisting City target area businesses in packaging a loan which includes City loan funds shall be entitled to a fee of one and one-half percent (1½%) of the City funds loaned.

(f) Adopts the findings and recommendations of the evaluation of the City Economic Development Program submitted to the Agency on the date of this Resolution.

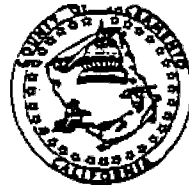
(g) Directs the staff to use Ten Thousand Dollars (\$10,000.00) in previously allocated 1984 Community Development Block Grant Economic Development funds in order to proceed with a Request for Proposals for retention of a marketing consultant for the Meadowview/24th Street area.

(h) Authorizes the Executive Director to extend the 1983 contract with Fruitridge Development Corporation for three (3) months, through March 31, 1984, and monthly thereafter, until the new economic development system is put in place.

CHAIRMAN

ATTEST:

SECRETARY



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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

November 21, 1983

Sacramento County Board of Supervisors
Redevelopment Agency of the
County of Sacramento

Sacramento City Council
Redevelopment Agency of the
City of Sacramento

Honorable Members in Session:

SUBJECT: Evaluation of the Sacramento Housing and Redevelopment Agency's Economic Development Program and Recommendations for 1984

SUMMARY

The attached evaluation report outlines the economic development program's accomplishments to date, analyzes its successes and shortcomings, and provides recommendations on how the Agency should proceed in the future. The Board and Council are requested to review the evaluation report, approve the findings and recommendations, and direct staff to proceed with implementation of the recommendations, as summarized herein.

BACKGROUND

County Program

The County program has been in operation since 1979. To date, three separate components have been in operation: 1) planning and administration; 2) commercial rehabilitation loans; and 3) direct commercial development loans. Funding for the three components, through 1983, has been \$428,043, \$226,000 and \$1,428,500 respectively. An additional \$200,000 has been allocated in 1984 for use in all three components. Community Development Block Grant (CDBG) funding has been the sole source of funds for the program.

(5)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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To date, under the planning component, we have seen revitalization plans adopted for portions of Watt Avenue (in North Highlands), Auburn Boulevard (in Citrus Heights), Stockton Boulevard, and Main Street in Isleton. Additionally, we have initiated planning efforts in Elk Grove (along Elk Grove Boulevard) and along Florin Road in the "Old Florin Town" area. (A planning effort was initiated in Rio Linda, but later was abandoned for lack of merchant interest and support.) Under administration, we have built staff capacity in a Local (certified) Development Corporation (LDC), the Economic Development Foundation, which is now qualified to process loans under several federal Small Business Administration (SBA) programs.

Under the Commercial Rehabilitation component, we have entered into a contract with Crocker Bank under which the Agency has used \$143,897 in CDBG funds to generate a total of \$569,605 in rehabilitation activity on 14 separate structures in selected target areas. The main purpose of this program has been to provide a "facelift" to commercial buildings in blighted areas.

Under the Commercial Development program, we have used \$838,946 in CDBG funds to generate \$2,606,000 in total investment on 12 separate properties. The program has two main goals: 1) the leverage of private investment into blighted areas; and 2) job creation. To date, an estimated total of 145 new permanent jobs have been created, based on interviews with loan recipients.

The overall program has had a series of problems throughout its implementation including insufficient funds, lack of targeting, lack of marketing, audit and performance problems with the LDC's, and problems with performance on individual loans. These are outlined and documented in the evaluation. Nevertheless, we are not ready to give up on this program, primarily because of the importance of stabilizing and revitalizing the deteriorating commercial areas throughout the County, both from a neighborhood, as well as a business perspective. The evaluation contains a set of recommendations, the most critical of which are outlined below.

The major recommendation discussed in the attached evaluation concerns revisions to the operational structure currently utilized for the implementation of the program. Instead of the existing relationships in effect with the Economic Development Foundation, staff recommends that an open competitive Request for Proposal process should be utilized to select individual coordinators for each target area. The specific

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Page Three

needs of the strip in question and appropriate skill level required will be considered when selection of the consultants is made. This is a framework that is being used on Del Paso Boulevard, in the City, with good initial results and has been used elsewhere with success as well.

City Program

The City became involved with the economic development program much later than the County and has committed less in the way of resources to it. Activities in the City have been confined to planning/administration and, on a very limited basis, direct loans. A rehabilitation program has been approved in concept but, to date, has not been implemented. Funds allocated through 1983 have been:

\$135,000 - Planning and Administration
\$140,000 - Rehabilitation and Facades^{1/}
\$227,500 - Direct Loans^{2/}

An additional \$200,000 has been allocated out of 1984 funds for three components.

To date, under the planning component, market analyses and improvement plans have been adopted for 12th Street and Stockton Boulevard. A planning/coordination consultant has been hired for Del Paso Boulevard and a market analysis is underway on Franklin Boulevard.

Only two direct loans have been processed, both on Stockton Boulevard. A total of \$38,500 in CDBG funds has been lent, leveraging \$820,000 in private investment dollars.

The City program is quite new and its problems have centered more on start-up and targeting than on implementation-related difficulties, as is the case in the County. Nevertheless, we have had some difficulty with the performance with Fruitridge Development Corporation, the Local Development Corporation with whom we have contracted. Recommendations for the City program are, for the most part, the same as for the County program and are outlined in the evaluation report and below.

1 All committed to 12th Street.

2 \$187,500 - 12th Street; \$40,000 - Stockton Boulevard.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Page Four

FINANCIAL DATA

Funding for the overall economic development program has been previously set in the context of the entire CDBG programs. No new funding is required.

If the recommendations outlined below are implemented for the County, we estimate that \$46,000 in administrative costs could be saved, assuming use of \$62,500 in previously allocated CDBG funds for retention of specific business coordinators on Watt Avenue (\$25,000), Auburn Boulevard (\$25,000), and Stockton Boulevard (\$12,500). This would be offset by up to \$8,573 in loan origination fees (1 1/2 percent of remaining loan pool funds) should all remaining loan funds be lent out, resulting in a net savings of \$37,427.

With respect to the City, if a separate planner/coordinator is contracted for on Franklin Boulevard, an estimated \$25,000 out of the total \$200,000 allocation, would be needed. (We are separately recommending that funding for a planner/coordinator in the Meadowview Road/24th Street area, at least initially, come from funds available from the Delta Shores Village Planned Unit Development developers.) Cost sharing with the County, however, will result in a \$12,500 savings for a Stockton Boulevard coordinator. This will be offset by a \$10,000 expenditure for a market analysis of the Meadowview/24th Street area.

POLICY IMPLICATIONS

The program modifications recommended would affect the County and City programs differently.

With respect to the County, the termination of the contract with Economic Development Foundation would change the relationship between the County and all Local Development Corporations from one of a favored one-on-one relationship to one where any LDC could participate on a fee basis.

Also, the hiring of individual coordinators for each selected strip would, we think, provide a better level of service to businesses along each strip in a setting which would be similar to one which has been initially successful in the City and elsewhere.

The re-advertising for a participating bank in the Rehabilitation program is, we think, in consonance with existing County policy to periodically submit contracts for competition. We have been

Page Five

with Crocker Bank for four years now. (This observation would also hold true for EDP, with whom we have contracted for four years without competitive review.) The incorporation of review of direct loan applications by the participating bank instead of directly by Agency staff would also be a change in policy direction.

In the City, no real change in policy direction would be noted.

VOTE AND RECOMMENDATION OF COMMISSION

On November 21, 1983, it is anticipated that the Sacramento Housing and Redevelopment Commission will approve the recommendations contained in this report. Any changes introduced by the Commission will be reported at the time of the Board and Council meetings of November 22, 1983.

RECOMMENDATIONS

Staff recommends adoption of the following:

County

1. Reconfirm the policy of targeting loan funds into the four commercial strips identified on the attached maps (Watt Avenue, Auburn Boulevard, Stockton Boulevard, and Main Street, Isleton).
2. Direct staff to immediately proceed with a Request for Proposal (RFP) for a bank to participate in our Commercial Rehabilitation program. The RFP should include requests for alternative subsidy mechanisms as well as provisions for review of direct loans.
3. Direct staff to report back as soon as a participating bank is selected with new direct and rehabilitation loan processing guidelines and procedures. Meanwhile, adopt the interim guidelines attached to this report for immediate direct loan processing.
4. Direct staff to immediately proceed with a Request for Proposal for retention of separate business coordinators for the Watt Avenue and Auburn Boulevard strips, and to participate (one-half) with the City in selection of a coordinator for the Stockton Boulevard strip. (Existing Agency redevelopment staff is recommended for coordination in Isleton.)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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5. Permit reimbursement on a fee basis (1 1/2 percent of County loan amount) to Local Development Corporations who assist in packaging County loans, along with Small Business Administration or other bank loans, on behalf of businesses located in designated target strips.
6. Approve the other miscellaneous recommendations outlined in the attached evaluation report.

City

1. Reconfirm the policy of targeting economic development assistance into the five target areas identified on the attached maps (Del Paso Boulevard, 12th Street, Stockton Boulevard, Franklin Boulevard and the Meadowview Road/24th Street area). Allow loan funds to be used only in those areas where an improvement plan has been adopted (currently 12th Street and Stockton Boulevard).
2. Direct staff to immediately proceed with a Request for Proposal for a bank to participate in our Commercial Rehabilitation program. The RFP should include a request for alternative subsidy mechanisms as well as provisions for review of direct loans.
3. Direct staff to report back as soon as a participating bank is selected with new direct and rehabilitation loan processing guidelines and procedures. Meanwhile, adopt the interim guidelines attached to this report for immediate direct loan processing.
4. Direct staff to proceed with a Request for Proposal for selection of a business coordinator for Franklin Boulevard, pending completion of the current market analysis underway there, and to immediately proceed, in conjunction with the County (one-half share) with an RFP for a coordinator on Stockton Boulevard. (Agency staff will be used on 12th Street and the existing contract will continue on Del Paso Boulevard.)
5. Permit reimbursement on a fee basis (1 1/2 percent of City loan amount) to Local Development Corporations who assist in packaging City loans, along with Small Business Administration or other bank loans, on behalf of businesses located in designated target strips.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Page Seven

6. Approve the other miscellaneous recommendations outlined in the attached evaluation report.
7. Direct Agency staff to immediately proceed with a Request for Proposal for selection of a market analyst for the Meadowview/24th Street area.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL

Walter J. Slips

WALTER J. SLIPS
City Manager

APPROVAL RECOMMENDED

Brian H. Richter

BRIAN H. RICHTER
County Executive

32

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO
ON DATE OF

ECONOMIC DEVELOPMENT PROGRAM

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

Section 1. The Redevelopment Agency hereby:

(a) Reconfirms the policy of targeting Community Development Block Grant Commercial Rehabilitation and Development loan funds into certain portions of Watt Avenue, Auburn Boulevard, Stockton Boulevard and Main Street, Isleton.

(b) Authorizes the Executive Director to proceed with a Request for Proposals for a commercial bank to assist in the Agency Commercial Rehabilitation and Commercial Development loan program.

(c) Directs the Executive Director to report back to the Agency as soon as possible with revised loan processing guidelines and procedures for the Economic Development Loan Program.

(d) Authorizes the Executive Director to proceed with Requests for Proposals for business coordination consultants for designated portions of Watt Avenue, Auburn Boulevard and Stockton Boulevard.

(e) Establishes, beginning January 1, 1984, that any local development corporation assisting County target area businesses in packaging a loan which includes County loan funds shall be entitled to a fee of one and one-half percent (1½%) of the County funds loaned.

(f) Adopts the findings and recommendations of the evaluation of the County Economic Development Program submitted to the Agency on the date of this Resolution.

On a motion by Member _____, seconded by
Member _____, the foregoing Resolution was

passed and adopted by the Redevelopment Agency of the County of Sacramento, State of California, this ____ day of _____, 1983, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CHAIRMAN

ATTEST:

CLERK

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RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

ECONOMIC DEVELOPMENT PROGRAM

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

Section 1. The Redevelopment Agency hereby:

(a) Reconfirms the policy of targeting of Community Development Block Grant Commercial Rehabilitation and Development funds into certain portions of Del Paso Boulevard, 12th Street, Stockton Boulevard, Franklin Boulevard, and the Meadview Road/24th Street area.

(b) Authorizes the Executive Director to proceed with a Request for Proposals for a commercial bank to assist in the Agency Commercial Rehabilitation and Commercial Development loan program.

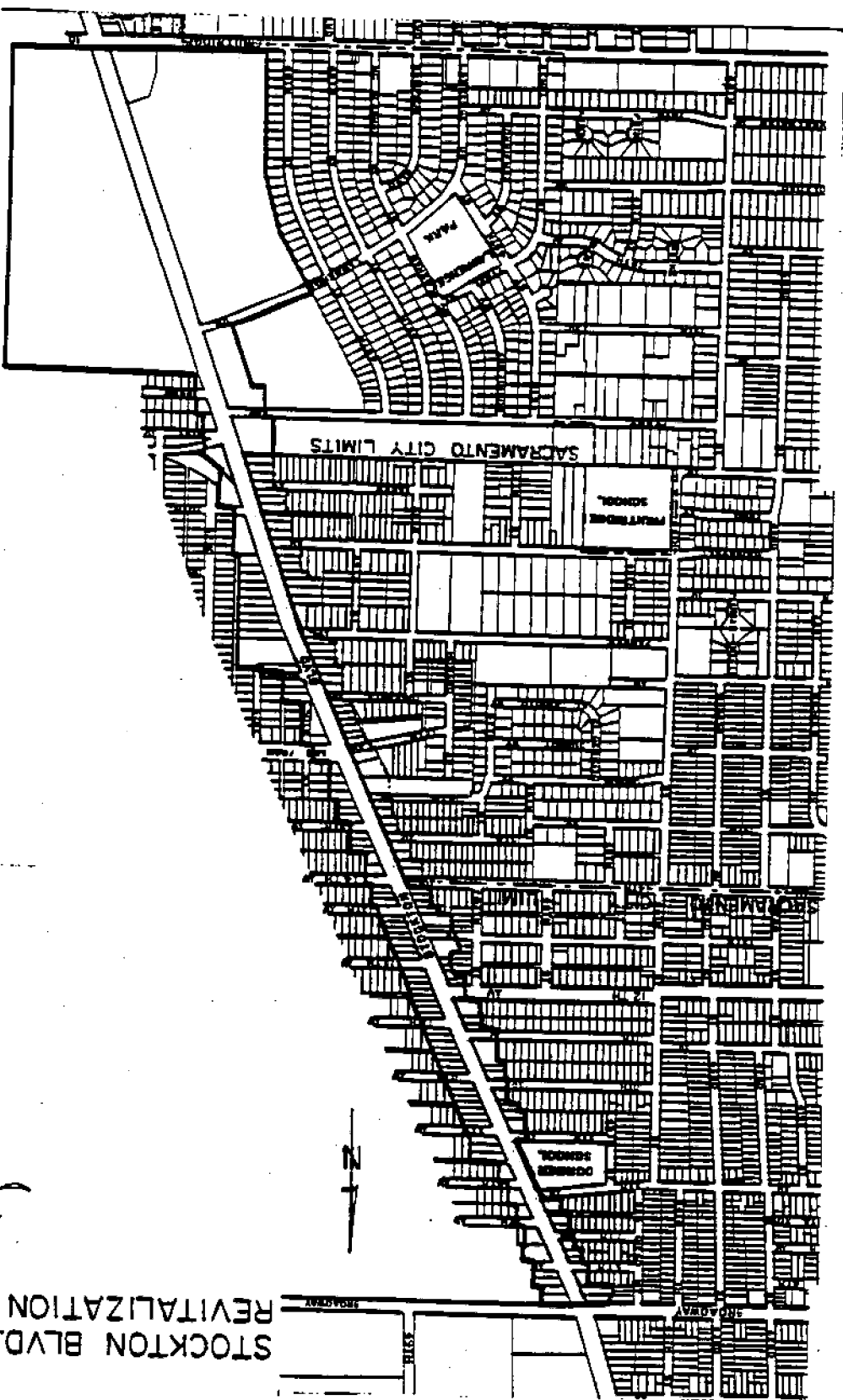
(c) Directs the Executive Director to report back to the Agency as soon as possible with revised loan processing guidelines and procedures for the Economic Development Loan Program.

(d) Directs the Executive Director to proceed with a Request for Proposals for selection of business coordinators for designated portions of Franklin Boulevard and Stockton Boulevard.

(e) Establishes, beginning January 1, 1984, that any local development corporation assisting City target area businesses in packaging a loan which includes City loan funds shall be entitled to a fee of one and one-half percent (1½%) of the City funds loaned.

(f) Adopts the findings and recommendations of the evaluation of the City Economic Development Program submitted to the Agency on the date of this Resolution.

(g) Directs the staff to use Ten Thousand Dollars (\$10,000) in previously allocated 1984 Community Development



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STOCKTON BLVD. COMMERCIAL
REVITALIZATION AREA

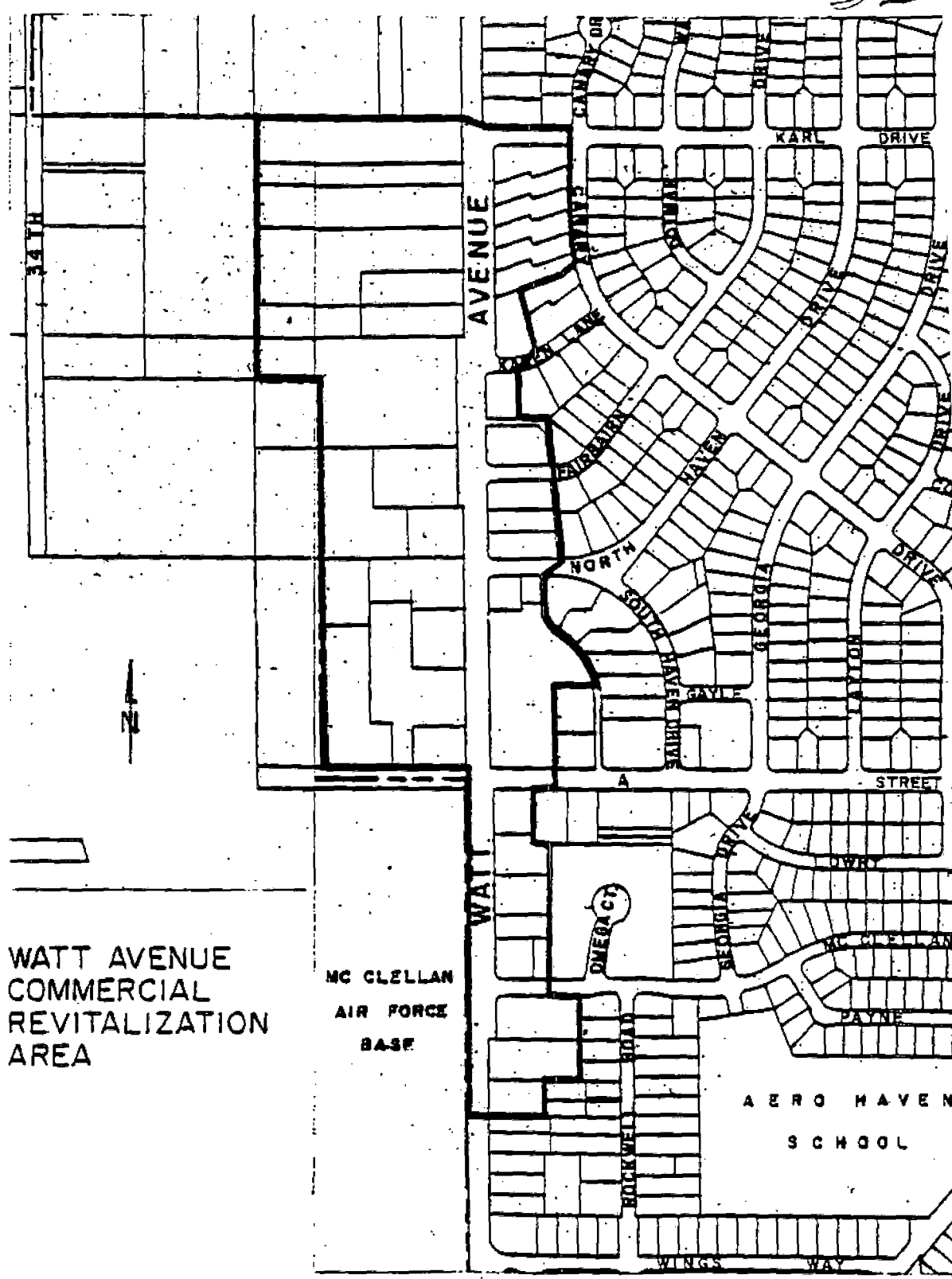
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Block Grant Economic Development funds in order to proceed with a Request for Proposals for retention of a marketing consultant for the Meadowview/24th Street area.

ATTEST:

SECRETARY

CHAIRMAN

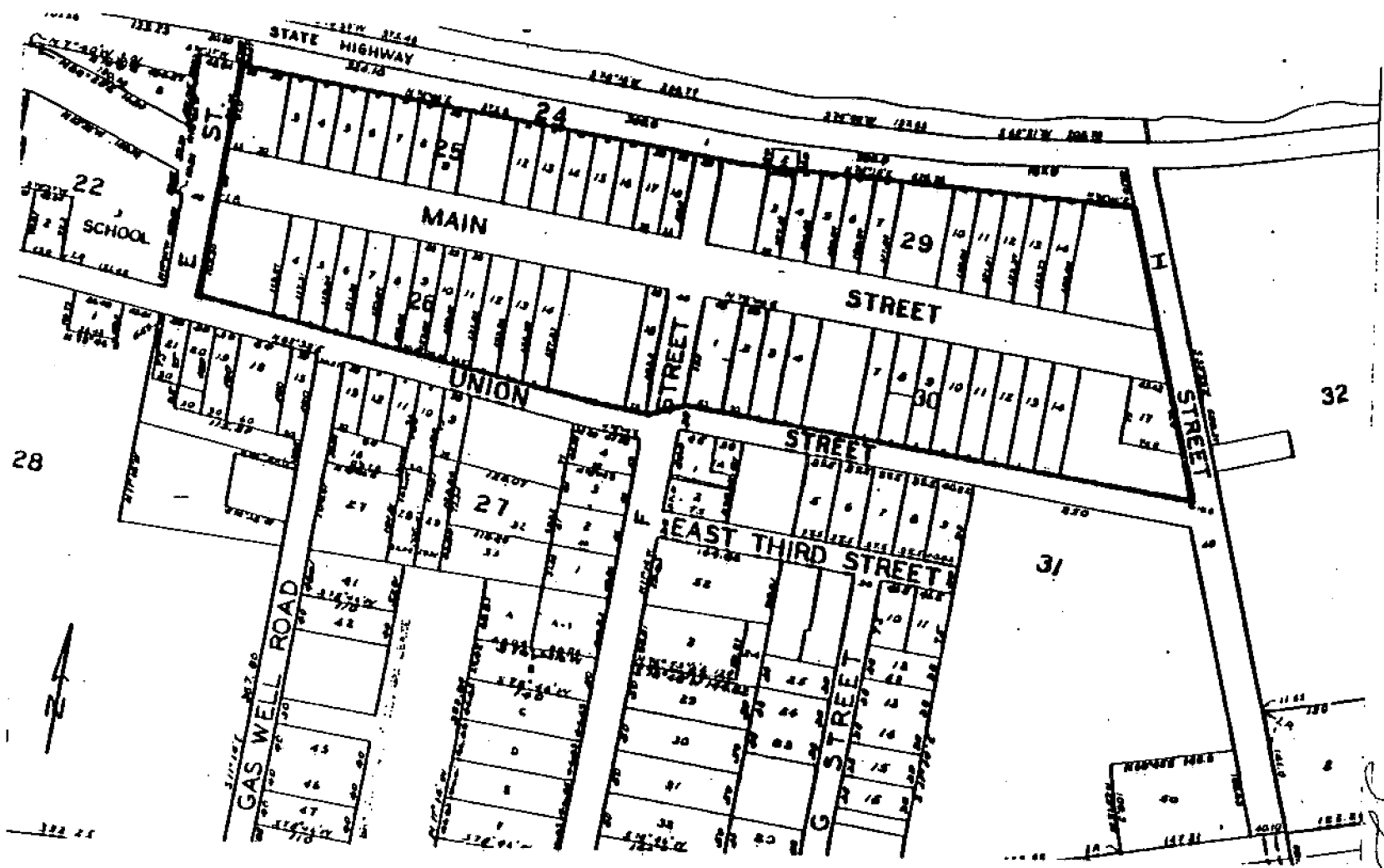


WATT AVENUE
COMMERCIAL
REVITALIZATION
AREA

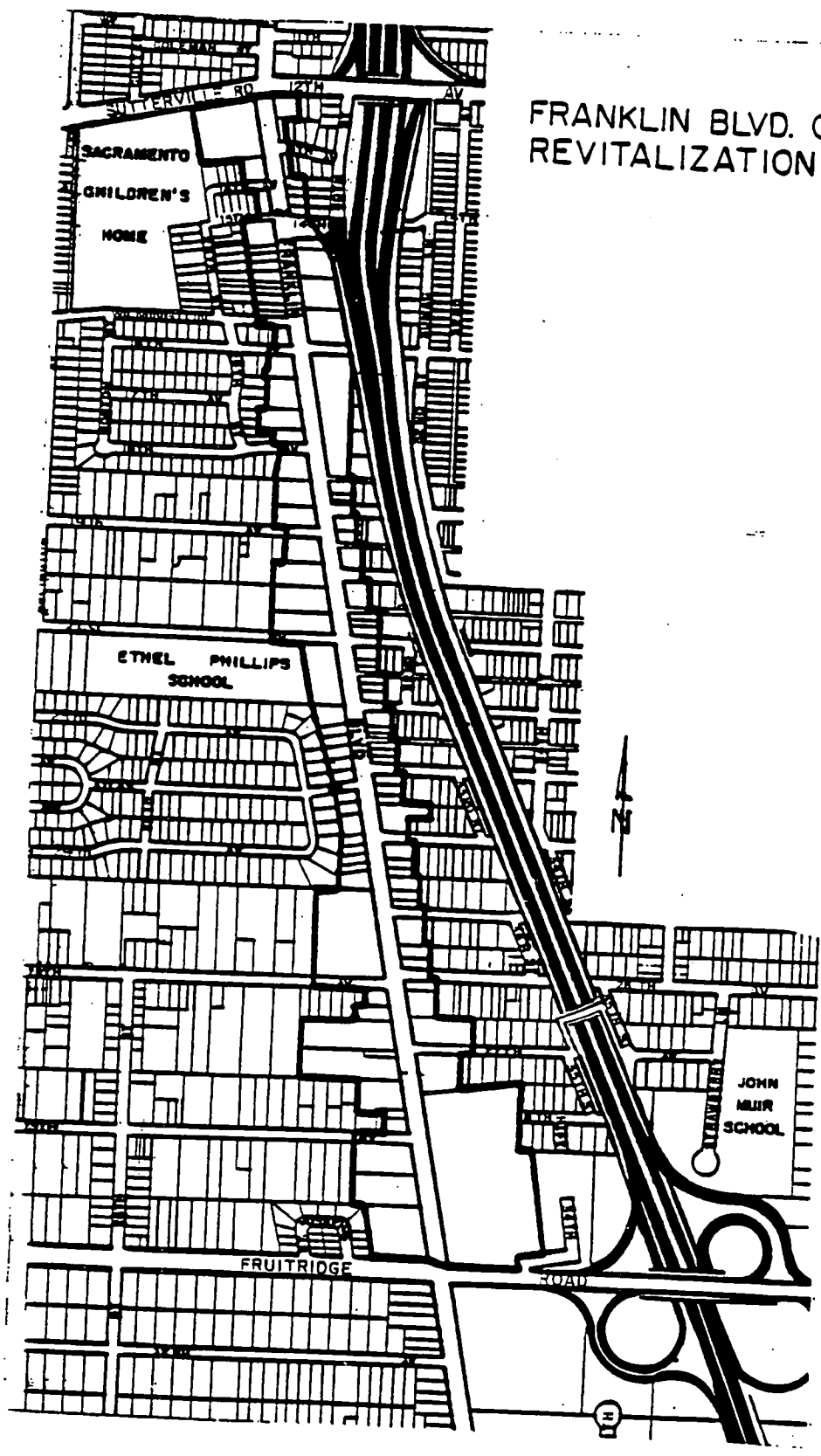
MC CLELLAN
AIR FORCE
BASE

AERO HAVEN
SCHOOL

MAIN STREET- ISLETON COMMERCIAL REVITALIZATION AREA

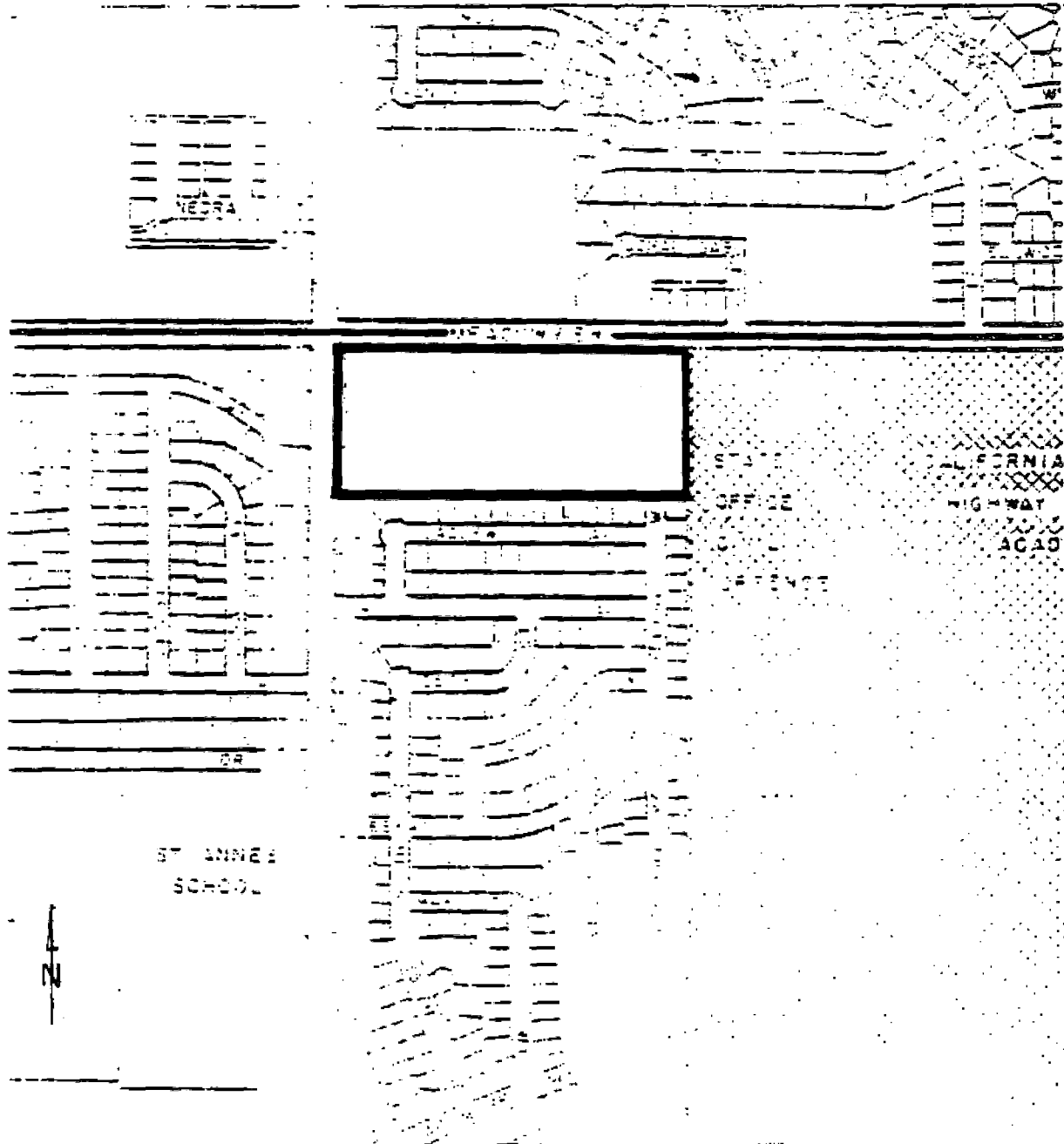


FRANKLIN BLVD. COMMERCIAL REVITALIZATION AREA



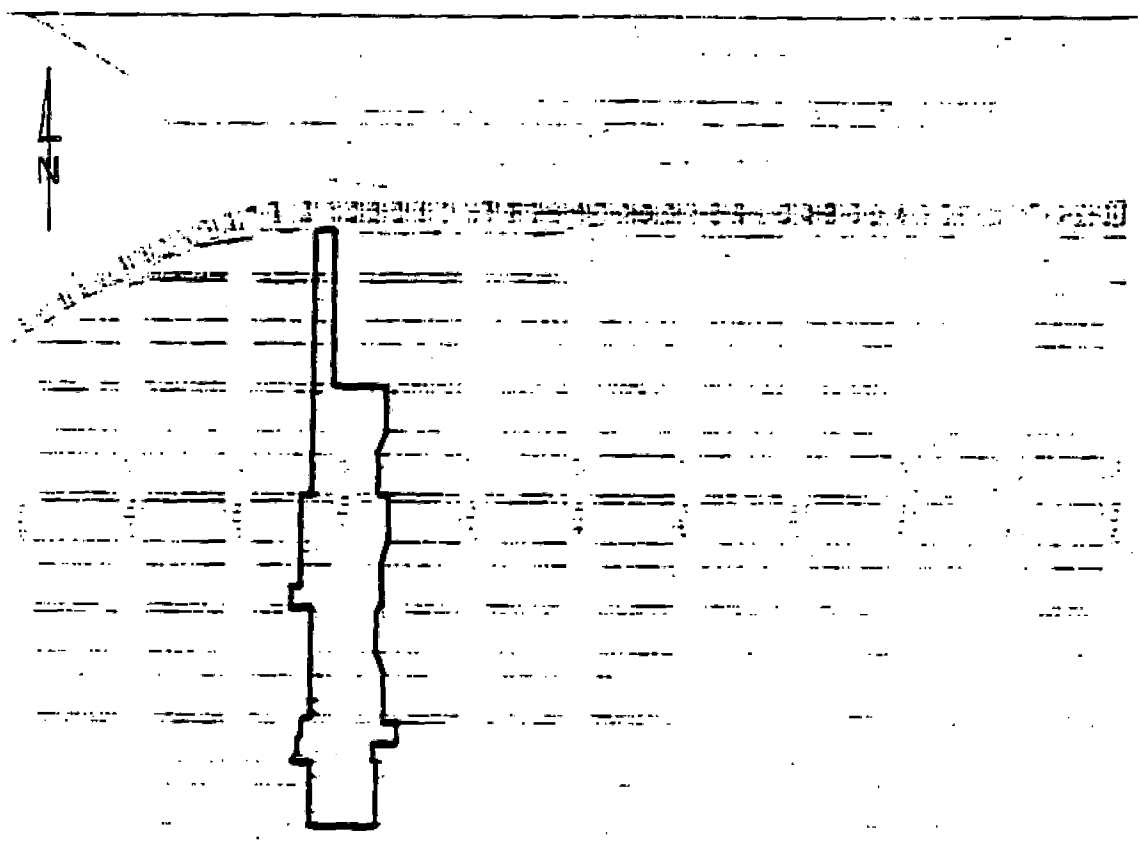
24th STREET - MEADOWVIEW ROAD
COMMERCIAL REVITALIZATION AREA

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3.2

12th STREET COMMERCIAL REVITALIZATION AREA



INTERIM
DIRECT COMMERCIAL LOAN PROGRAM

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I. General Guidelines

- A. Minimum leverage ratio of 1:3 (CDBG dollars to private dollars)
- B. Project must create a minimum of one new permanent job for every \$10,000 CDBG contribution to the project.
- C. Loan parameters - maximum 10 year term, 9% interest rate, maximum \$200,000 loan
- D. Firm private lending commitment, if applicable, must already be in place for the private leverage portion of the project

II. Eligible and Ineligible Activities

A. Eligible Activities

- 1. Acquisition of land and buildings
- 2. New construction, expansion, renovation and modernization to on and off site improvements
- 3. Purchase and installation of machinery and equipment
- 4. Certain soft costs, such as interim interest, loan packaging fees, professional services fees to include but not necessarily be limited to appraisal, survey, accounting, engineering and architectural work as may be deemed reasonable

B. Ineligible Activities

- 1. Working or operating capital items (i.e., cash for operational or compensating balance purposes or inventory)
- 2. Fees to related entities or development fees

III. Application Procedure

- A. Step One: A prospective applicant should first contact the economic development staff person to discuss the proposed project and to receive an overview of the loan program. An initial determination of whether the project is eligible for funding under this program will be reviewed.
- B. Step Two: Upon a favorable determination, a Project Summary Form must be submitted along with a set of preliminary plans for further evaluation. Readiness of the project, conformance with area design plans and compliance with environmental requirements will be assessed.

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- C. Step Three: Upon preliminary project approval, the credit worthiness of the project is next evaluated. The loan applicant will be required to submit the following information in the loan package:
1. A description of the project (depending upon the amount of detail and timeliness of the information provided, the description provided in the Project Summary sheet may suffice).
 2. Business Plan - An overview of the following should be submitted:
 - a. Type of business
 - b. History of business
 - c. Loan applicant background/experience
 - d. Legal structure of the applicant - identification of ownership interest(s) and percentages and names of affiliates and/or subsidiary firms
 3. A statement of the amount of the loan requested
 4. A statement detailing the exact purpose(s) and use(s) of the loan proceeds
 5. A detailed construction cost breakdown
 6. Past two years income tax returns for personal and business (if corporation)
 7. Personal, partnership and/or corporate balance sheets and profit and loss statements for the business for the past two years
 8. Updated financial statement to period loan is submitted
 9. List of collateral to be offered, including the present market value and present mortgage balance. (Note: Before loan is approved, appraisals will need to be obtained for these items.)
 10. If real property is to be purchased, an appraisal of the property must be submitted along with copies of the purchase and any existing financial agreements.
 11. Two sets of final plans and specifications for the project.
 12. A hiring plan for the new permanent jobs created in conjunction with the Private Industry Council.

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RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

December 13, 1983

CONTRACT EXTENSIONS
ECONOMIC DEVELOPMENT PROGRAM
RECOMMENDATIONS FOR 1984

WHEREAS, the Redevelopment Agency of the City of Sacramento wishes to provide for a logical transition from the existing economic development program into a new program format involving separate business development coordinators on each of the separate commercial strips identified for business improvement under the Community Development Block Grant Program.

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

Section 1. The Executive Director is hereby authorized to extend the 1983 contract with Fruitridge Development Corporation for three (3) months, through March 31, 1984, and monthly thereafter, until the new economic development system is put in place.

CHAIRMAN

ATTEST:

SECRETARY

ARTICLES OF INCORPORATION

OF

COMMUNITY ADVOCATES, INC.

I

The name of this corporation is Community Advocates, Inc.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

B. The specific purpose of this corporation is to promote and assist the social, environmental, economic and educational development of the residents of California, thereby strengthening, improving and furthering the opportunities and general welfare of the aforementioned residents.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Samuel Williams 7421 Murfield Way Sacramento, California 95822

IV

A. This corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501 (C) (3) of the Internal Revenue Code.

B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

(over)



The purpose of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, or all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501 (c) (3) of the Internal Revenue Code.

DATED:

November 16, 1983

Samuel A. Williams
(Signature of Incorporator)

Samuel Williams
(Typed name of Incorporator)

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Samuel A. Williams
(Signature of Incorporator)

100

3500



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
SACRAMENTO, CALIFORNIA 95857

EXEMPTION APPLICATION

For use by a principal officer or representative of the organization claiming exemption under Section 23701 of the Revenue and Taxation Code.

1a. Full name of organization

COMMUNITY ADVOCATES INC.

b. Federal Employer Identification Number (see Specific Instruction 3, Item 1b)

c. Mailing address of organization (number, street, city, state, and ZIP code)

7421 MUIRFIELD WAY SACTO, CA. 95822 (916) 395-3913

DO NOT USE THESE SPACES

SERIAL NO.

AMOUNT REMITTED

2a. Name of representative to be contacted regarding additional requirements or information

SAMUEL WILLIAMS

b. Representative's address (number, street, city, state, and ZIP code)

SAMUEL WILLIAMS (916) 395-3913

d. Telephone number

395-3913

Every organization that claims to be exempt must furnish the information and data specified and pay the REQUIRED \$10.00 APPLICATION FEE. If any organization fails to send the information and data required or to pay the required fee, this application will not be considered on its merits and the organization will be notified accordingly. This application shall be open to public inspection in accordance with Section 26451.3 of the Revenue and Taxation Code if exemption is granted.

See instructions for FTB 3500 for guidance on completion and submission.

3a. Is the organization incorporated?

Yes No

b. If "Yes," in which state?

c. Corporate Number

4a. If not incorporated, what is form of organization?

Now being incorporated Unincorporated association Trust 8-10-83

b. Date organized

c. Month in which the annual accounting period ends December

5a. Has this organization or its predecessor previously applied for exemption?

Yes No

b. If "Yes," check appropriate box(es) and enter "Granted" or "Denied" and date of determination for each box checked.

California _____ Date _____ Federal _____ Date _____ Other state _____ Date _____
Furnish copies of any determination letters received.

6a. Has organization filed Federal Income tax returns? Yes No

b. If "Yes," state type of returns and years filed.

7a. Enter California Revenue and Taxation Code section under which exemption claimed (see instructions) Section 23701 501 c3

b. Primary activity of organization:

COMMUNITY ENHANCEMENT

8a. Are you a new organization? If "No," attach a statement indicating the name of your predecessor(s), the period during which it was in existence, and the reasons for its termination.

Yes | No
 |

b. Have you made or do you plan to make any distribution of your property or surplus to officers or members? If "Yes," attach a statement containing full details.

|

c. Will any promoter, incorporator, founder, or member be employed by the organization? If "Yes," furnish complete details, including duties, responsibilities, qualifications, and compensation.

|

d. Are you a membership organization? If "Yes," attach a statement which explains fully the qualifications for members, the different classes of membership, the number of members in each class, and the voting rights and privileges accorded each class.

|

e. Will any of the incorporators share any facilities with the organization? If "Yes," attach a statement explaining in detail.

|

f. Will any property be rented, purchased, or transferred in any way from any of the incorporators? If "Yes," attach a statement explaining in detail.

|

g. Will any director be compensated for services other than as a director, e.g. officer, employer? If "Yes," furnish the name(s) of the director(s), and the amount(s) of compensation for each. Also list the names of the other directors, indicating their blood or marriage relationship, if any, to the compensated director(s).

|

YOU MUST SUBMIT THE INFORMATION REQUESTED IN QUESTION 9, PAGE 2, OF THIS APPLICATION

NOTE: UNINCORPORATED ASSOCIATIONS OR TRUSTS SHOULD SECURE A FEDERAL EXEMPTION AND FURNISH A COPY OF THE FEDERAL EXEMPT DETERMINATION LETTER.

Under penalty of perjury, I declare that I have examined this application, including accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct and complete.

August 10, 1983
DATE

Samuel Williams
SIGNATURE OF OFFICER OR REPRESENTATIVE

Chairman of Board
TITLE

Sacramento California
PLACE SIGNED

[Versions of this form prior to (8-81) are obsolete and should be destroyed.]

Section 23701 requires that each organization applying for exemption after December 31, 1969, MUST PAY A \$10 APPLICATION FEE. Processing of the application cannot be completed until the application fee is received. DO NOT SEND CASH. ALLOW 45 DAYS FOR PROCESSING.