

RESOLUTION NO. 2001-038

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF
JUN 19 2001

**WOODRUFF HOTEL/GUILD THEATER COMPLEX PROJECT:
OAK PARK PROJECT AREA, CEQA EXEMPTION, AND
PROJECT APPROVAL, AND AUTHORIZATION FOR EXECUTION OF A
DISPOSITION AND DEVELOPMENT AGREEMENT WITH ST. HOPE
DEVELOPMENT COMPANY REGARDING 3456 THIRD AVENUE, 2830 35TH
STREET, 2832 35TH STREET, 3436-38 THIRD AVENUE; RELATED
AUTHORIZATIONS**

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

WHEREAS, the Agency owns certain real property ("Property"), in the Project area and acquired with Project Area tax increment funds, which Property is generally described as 3456 Third Avenue, 2830 35th Street, 2832 35th Street, 3436-38 Third Avenue, and more particularly described in the legal description as set forth in the Disposition and Development Agreement ("DDA").

WHEREAS, the Agency and the St. HOPE Development Company ("Developer") desire to enter into a DDA, a copy of which accompanies this resolution and is on file with the Agency Clerk, which DDA would convey *INTEREST* in the Property, as more specifically described in the DDA, and which would require the improvements within the Property, as further described in the DDA (collectively, "Project");

WHEREAS, in accordance with the California Environmental Quality Act and its implementing regulations, an Initial Study has been prepared for the proposed project as described in the DDA; and

WHEREAS, a report under Health and Safety Code has been prepared, filed with the Agency Clerk and duly made available for public review, and, proper notice having been given, a hearing has been held in accordance with Health and Safety Code Sections 33431 and 33433.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2001-038

DATE ADOPTED: JUN 19 2001 (22)

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

Section 1. An Initial Study of the Project has been prepared in accordance with the California Code of Regulations ("CCR") Sec. 15063 and, based upon such Initial Study, it is found and determined that the Project has no potential for causing significant impacts upon the environment. The Project is, therefore, exempt from further environmental review pursuant to CCR 15061(b)(3)

Section 2. The Project will assist in the elimination of blight in that it will bring to current code utility conditions of the building, finished walls and floors; renovate deteriorated and dilapidated commercial and residential structures; and alleviate inadequate parking facilities. The Project is consistent with the goals and objectives of the Redevelopment Plan and the Implementation Plan. A goal of the Redevelopment Plan, as stated in the Implementation Plan is Create attractive new housing opportunities at various affordability levels; recruit new businesses to provide services, employment, and other opportunities for Oak Park residents, promote cultural facilities as a component of visitor attractions in the Oak Park area and promote the preservation of historic structures. The DDA shall be deemed an implementing document approved in furtherance of the Redevelopment Plan, the Implementation Plan for the Project Area and all applicable land use plan, studies, and strategies.

Section 3. The consideration given for the interest conveyed under the DDA is not less than the fair reuse value at the use and with the covenants, conditions, restrictions, and necessary development costs authorized by the DDA and conveyance documents.

Section 4. In accordance with Health and Safety Code Section 33334.14 the Regulatory Agreement containing covenants imposed by the DDA may be subordinated to the lien, encumbrance or regulatory agreement of the senior lender that is providing financing for the Project, as identified by the Agency in the staff report that accompanies this resolution, because no other feasible method of financing the Project on comparable terms and conditions, but without such subordination, is reasonably available and the Agency has obtained the following written commitments from such senior lender that are designed to protect the Agency's investment: (a) a right of the Agency to cure the senior loan, (b) a right of the Agency to negotiate with the Lender after notice of default from lender, (c) an agreement that the lender will not exercise any right of acceleration based upon transfer of title to the Agency as a result of Agency's cure of the Developer's default of the senior loan and (d) a right of the Agency to purchase the Property from the Developer or the subsequent owners of the Property at any time after Developer's default of the senior loan.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2001-038
DATE ADOPTED: JUN 19 2001

Section 5. The DDA is approved and the Executive Director is authorized to execute the DDA with the Developer and to take such actions, execute such instruments, and amend the budget as may be necessary to effectuate and implement this resolution and the DDA.

Section 6. The Executive Director is authorized to approve such funding and to disburse and receive funds for the above purposes, as provided in the DDA.

Section 7. The Agency Budget is amended to transfer \$1,203,331 of Development Assistance from the Oak Park 1999 Master Lease Tax Exempt Capital Project, \$500,000 of Housing Development Assistance from the 1999 Oak Park Tax Exempt Capital Improvement Revenue Bond (CIRBs), \$480,631 of Commercial Loans from the 1999 Oak Park Taxable CIRB and \$622,422 of Housing Development from 1999 Oak Park Tax Exempt CIRB to the Woodruff Hotel and Guild Theater Complex and Victorian Project.

Heather Fargo
CHAIR

ATTEST:

Valerie A. Burrows
SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2001-038
DATE ADOPTED: JUN 19 2001