

Publ. No. 30

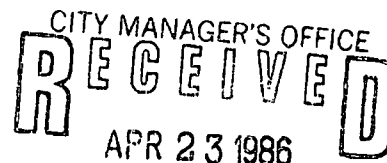
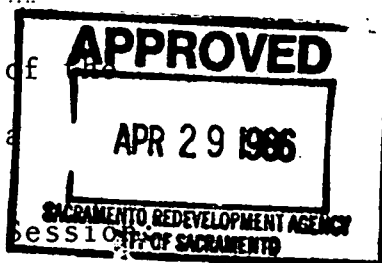


# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



April 11, 1986

Redevelopment Agency of  
City of Sacramento  
Sacramento, California



Honorable Members in Session

**SUBJECT:** Execution of Disposition and Development Agreement (DDA) with William E. Masters and Leroy and Sharon Craig, a Partnership, for Agency-owned Property Located at 515 8th Street. [PUBLIC HEARING]

### SUMMARY

This report authorizes the Executive Director to enter into a Disposition and Development Agreement and execute all documents related thereto, with WILLIAM E. MASTERS and LEROY AND SHARON CRAIG in order to purchase and rehabilitate the residential dwelling at 515 8th Street for use as a single family dwelling.

### BACKGROUND

At its special meeting of January 27, 1986, the Sacramento Housing and Redevelopment Commission adopted Resolution SHRC 86-003 by which the Executive Director was authorized to issue a request for proposal (RFP) for development of Agency owned property located at 515 8th Street, establish a selection committee to review the proposals submitted, and prepare a draft Disposition and Development Agreement (DDA).

Five developers submitted proposals as of the March 14, 1986 due date. One of these proposals was rejected and notified as non-responsive since the developer did not submit the required 10% option fee or a financial statement for the partnership. The review committee met on Wednesday, March 19, 1986 and reviewed the remaining four proposals. The committee unanimously recommended the selection of the partnership of William Masters and Leroy and Sharon Craig based on the proposals submitted (see attached spreadsheet). The reasons for the selection of this developer are set forth below:

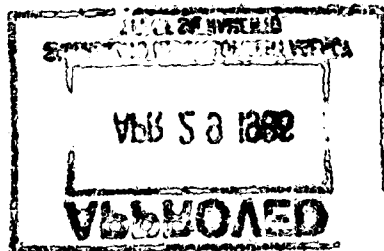
- 1) Project to be entirely funded with Equity Capital;

(1)

District 1  
4/29/86

ВЫ КОБОРИД

2 ЧКА



# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

30

Redevelopment Agency of the  
City of Sacramento  
April 11, 1986  
Page Two

- 2) Project to be completed by December 31, 1986;
- 3) Developer has retained an experienced contractor with performance record for quality work accomplished within time schedule;
- 4) Developer has completed three similar projects;
- 5) Developer offers to pay all Agency closing costs; and
- 6) The project will have less impact on parking since the proposed use is a single family dwelling.

Based on a thorough comparison of the competing proposals staff recommends that 515 8th Street be sold to the partnership of William Masters and Leroy and Sharon Craig.

A copy of the DDA and related documents as well as a copy of the proposal are available in the Clerk's office for your review. The Developer's Scope of Development, Time Schedule, and a parcel map are attached to this report.

## FINANCIAL DATA

The Developer has estimated the following development costs to purchase and rehabilitate the 515 8th Street structure:

A.	Purchase Price and Closing Costs	\$ 32,000
B.	Basic Structure Improvements	38,000
C.	Fixtures and Furnishings	<u>4,000</u>
	TOTAL	<u>\$ 74,000</u>

The Developer has submitted a Balance Sheet, a Schedule of Real Estate Owned, an Income Statement, a Developer's Qualification Statement, and copies of tax form 1040 for all partners for the 1985 tax year as Evidence of Financing for this project. Staff is able to testify to the Developer's adequacy to accomplish the project based on these documents.

ATAS JATOKANIN

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

30

Redevelopment Agency of the  
City of Sacramento  
April 11, 1986  
Page Three

The Disposition and Development Agreement will provide for the outright purchase of the property from the Agency at a cost of \$32,000. These funds become tax increment program income and will be used to assist other participants. Proceeds from sale are to be recorded in the Alkali Tax Increment Fund 246. All rehabilitation costs will be furnished from the Developer's own equity capital; no lending institution will be involved.

## POLICY IMPLICATIONS

The actions outlined in this staff report are consistent with previously approved developer assistance activities and no new policies are recommended.

## ENVIRONMENTAL REIVEW

This project does not require environmental review.

## RECOMMENDATION OF PROJECT AREA COMMITTEE (PAC)

At its regular meeting of April 2, 1986, the Alkali Flat PAC recommended its approval of the selection of William Masters and Leroy and Sharon Craig, a partnership, for the purchase and rehabilitation of the single family home located at 515 8th Street.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of April 21, 1986 the Sacramento Housing and Redevelopment Commission recommended your approval of the attached resolution by the following vote:

AYES: Amundson, Glud, Lopez, Luttrell, Moose, Sanchez, Angelides

NOES: None

ABSENT: Pettit, Walton, Wooley

POLICY IMPLICATIONS

ENVIRONMENTAL REVIEW

RECOMMENDATION OF PROJECT AREA COMMITTEE (PAC)

NOTE AND RECOMMENDATION OF COMMISSION

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

30

Redevelopment Agency of the  
City of Sacramento  
April 11, 1986  
Page Four

## RECOMMENDATION

The staff recommends that you adopt the attached resolution authorizing the Executive Director to:

- 1) Execute the Disposition and Development Agreement (DDA) and all documents related thereto with William Masters and Leroy and Sharon Craig, a partnership, for purchase and rehabilitation of a single family home located at 515 8th Street;
- 2) Approve the Scope of Development and Performance Schedule for Completion; and
- 3) Approve the Evidence of Financing as contained in the Proposal.

Respectfully submitted,

*William H. Edgar*  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COUNCIL:

*Walter J. Slupe*  
WALTER J. SLUPE  
City Manager

Contact Person: TRISH DAVEY, 440-1322

Attachments: A. Review Committee Spread Sheet  
B. Scope of Development (Plans and Specs)  
C. Schedule of Performance  
D. Map of Development Location

msw:0347K  
4/11/86

RECOMMENDATION

RECOMMENDATION

The Commission has considered the application of the applicant and is pleased to recommend that the applicant be granted the status of a member of the Commission.

The Commission has also considered the application of the applicant's spouse and is pleased to recommend that the spouse be granted the status of a member of the Commission.

The Commission has also considered the application of the applicant's children and is pleased to recommend that the children be granted the status of members of the Commission.

The Commission has also considered the application of the applicant's parents and is pleased to recommend that the parents be granted the status of members of the Commission.

Very truly yours,

Chairman

100-100-100

100-100-100

100-100-100

100-100-100

100-100-100



30

**RESOLUTION NO. ~~#~~ 86-016**

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

April 29, 1986

AUTHORIZING EXECUTION OF DISPOSITION AND DEVELOPMENT  
AGREEMENT LOCATED AT 515 EIGHTH STREET  
WITH WILLIAM MASTERS AND LEROY AND  
SHARON CRAIG, A PARTNERSHIP

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

Section 1: The Executive Director is authorized to execute a Disposition and Development Agreement with William Masters and Leroy and Sharon Craig, for purchase and rehabilitation of property located at 515 Eighth Street Sacramento, California, in a form approved by Agency Counsel. The Executive Director is further authorized to execute a Declaration of Restrictions and other documents in connection with the Disposition and Development Agreement.

Section 2: The preliminary plans and the evidence of financing as submitted by the developer, are hereby approved.

CHAIR \_\_\_\_\_

ATTEST:

SECRETARY \_\_\_\_\_



0051L

APPROVED  
6881 0 5 97A

REQUEST FOR PROPOSALS 515 8TH STREET	RICHARD L. MALLET 1316 25th Street Sacramento	P. BRUCE BOOHER R. DANIEL HOOD 1217 38th Street Sacramento	JON P. SILVA JOE MAES 731 E Street Apt A Sacramento	JAMES J. JONES 808 E Street Sacramento	BILL MASTERS ROY & SHARON CRAIG
1. All Forms Complete	Yes	Yes	Incomplete	Yes	Yes
2. 10% Deposit	\$ 3,200	\$ 3,200	None	\$ 3,200	\$ 3,200
3. Time Schedule	10.5 months	8 months	14 months	8.5 months	6-8 months
4. Total Project Cost	\$60,100	\$95,000	\$62,600	\$89,700	\$74,000
5. Source of Funding	\$60,100 Equity Capital	\$23,000 Equity Capital \$72,000 Conventional \$95,000 Loan	\$15,000 Cash Equity \$10,000 SHRA 3% Loan \$32,000 SHRA Deferred Loan on Land (Two Years)	\$73,700 Equity Capital \$16,000 SHRA Deferred Loan on Land (One Year)	\$74,000 Equity Capital
6. Proposed Use	Two Dwelling Units	Two Dwelling Units	Two Dwelling Units One Owner Occupied	Two Dwelling Units One May Be Owner Occupied	Single Family Home
7. Financial Statement and References	Yes	Yes	No Financials References & Resumes Included	Yes	Yes
8. Architect/Contractor	Mallet, Contractor Hood, AIA	Booher, Contractor Hood, AIA	Silva & Maes, Contractor Robert Crawford Structural Engineer	Jones, Owner-Builder D. Mogavera, Consulting AIA	Jim Glauz Construction Dan McAuliffe, AIA
9. Additional Comments	Completed three similar Victorians at 1001 F, 1011 F and 1316 25th Street. Pictures included.	Proposal contains option for Ownership Housing to be built on adjacent, vacant land.	Submitted 23 pictures of oak cabinet work (desks, bookshelves, wet bar, hutch, etc.)  Wants land price deferred two years.	Has rehabbed own dwelling at 808 E Street. Structure now on historic register.  Wants land price deferred one year.	Developer agrees to pay all Agency closing costs.  Completed three similar victorians at 1100 E, 515 11th St. and 1110 E St.

0278K

30

EXHIBIT "A"

SCOPE OF DEVELOPMENT

1. Structural Repair

- A) Foundation: Repoint the existing brick foundation; replace all areas of the mudsills where there are any signs of decay or settling.
- B) Roof: All layers of existing roofing will be removed. New roof will be composition, with wood color shingles. All new gutters and downspouts will be installed to ensure proper drainage.

2. Exterior

- A) Siding: "Garage type" opening on south side of building will be removed. Replacement siding will be installed per State Office of Historic Preservation (OHP) guidelines.
- B) Rear porch: The enclosed add-on porch will be removed and replaced with an open porch with new stairs leading to the rear yard. Any replacement siding or windows will match existing features.
- C) Front porch: The decaying front porch will be dismantled, repaired and re-installed. New stairs will be installed reusing existing handrails and newel posts. Existing balustrades will be replaced with "period" bansaw design. All above work will be done according to OHP guidelines.
- D) Eaves: All structural as well as architectural detailing will be repaired according to OHP guidelines.
- E) Exterior colors: Will retain the services of San Francisco Renaissance, a color consulting firm used on similar projects, due to the complexity of the color scheme of the building to the immediate south.
- F) T.V. antenna: Existing roof mounted antenna will be removed and replaced with an attic antenna.
- G) Easements: Developers will investigate entering into an agreement with Sacramento Heritage Inc. regarding its "Preservation Easements Programs" to

ensure that the architectural integrity of this building is preserved for future generations to appreciate.

### 3. Interior

- A) Lath & plaster: All existing wall treatment will be retained with the necessary repairs being made to surface cracks. Most ceilings will be replaced but with special attention to retaining the plaster ceiling rosettes.
- B) Floor plan: Architectural integrity will be retained, but the toilet will be relocated into the bathroom as a "functional" update. This requires an alteration to the bathroom entrance. Change will be approved by OHP before implementation.
- C) Floor treatment: Existing wood floors will be sanded, filled, and refinished. Bath and kitchen areas will have upgraded vinyl flooring.
- D) Plumbing fixtures: Original clawfoot tub will be converted to serve as a shower as well. Existing toilet and sink will be replaced with an "older" style salvaged from other victorian buildings (photo). The existing kitchen sink will be retained.
- E) Hardware: All original window and door hardware will be retained and any missing items will be replaced with salvaged period hardware. There will be no reproduction items used (photo).
- F) Cabinets: Additional custom made cabinets will be installed in the main kitchen area. Counter tops will be ceramic tile (photo).
- G) Doors: Existing raised four panel doors will be retained. Any replacement doors required will be of similar style. The existing front door (an interior door adapted for this purpose) will be replaced with an exterior custom made victorian door (photo).
- H) Windows: Original wood sash windows will be retained and reworked to ensure ease of day to day operation.
- I) Window covers: Quaker lace curtains, resembling original window treatment, will be used extensively (photo).
- J) Light fixtures: Original antique light fixtures will be used throughout the house (photo).

- 4. Alarm system: State-of-the-art alarm system will be installed. No exposed wiring on interior or exterior.
- 5. Electrical: All knob and tube wiring will be replaced and all applicable city codes will be met. A new 200 amp service panel will be installed.
- 6. Plumbing: All existing plumbing will be replaced. New plumbing will meet current city codes.
- 7. Heating/Cooling: A split-system, all electric heat pump will be installed to replace the existing gravity floor furnace. The air handler will be located in the attic and the compressor will be in the backyard.
- 8. Landscaping: Sod will be installed with an automatic sprinkler system. Existing chain link rear fence will be retained but will be covered with a perennial vine. Front and side yard will be defined by a hedge rather than a fence to maintain a feeling of openness. Developers are currently negotiating with the property owners of a Delta Victorian, scheduled to be torn down, to relocate mature landscaping for this project.
- 9. Parking: Existing "carport" will be removed but parking pad will be retained. Developer will petition the City to extend the "Residential Parking Permit Program" to gain additional on-street spaces in front of this residence.

Architectural Services: Will retain the services of Dan McAuliffe of McAuliffe Cuddy Architects, 2001 11th Street, Sacramento, CA 95814. These architects provided services on other neighborhood buildings including 1100"E" Street, 515 11th Street, 1110 "E" Street.

Subcontractors/Minority Participation: General contractor will be Jim Glauz Construction, Lic. No. 466-508. Estimated number of individuals whose services will be used is 43. Approximately 20% of these individuals will be minority. Developer has also used local neighborhood youth during summer vacations to perform unskilled tasks.

### TIME SCHEDULE

Submission of final construction plans	1	month
Agency approval of final plans	*	month
Evidence of financing	**	month
Start of construction	***	month
Completion of construction	<u>4</u>	months
Total months	5	

(Project will be in-service by December 31, 1986 in order to take advantage of investment tax credits.)

\*Per Steade Craigo of OHP, local agency needs 4 weeks to review and approve plans before forwarding to federal agency in San Francisco where an additional 4 weeks may be required before final approval is obtained; however, nonarchitectural changes (ie. plumbing, wiring, roof etc.) can be done without final plan approval.

\*\*Private capital will be used for entire project. We do not foresee any financing delay as no lending institutions will be involved.

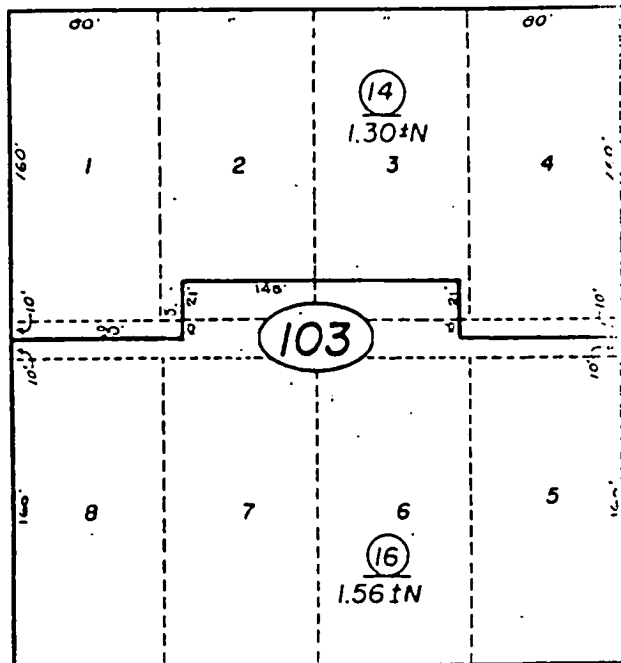
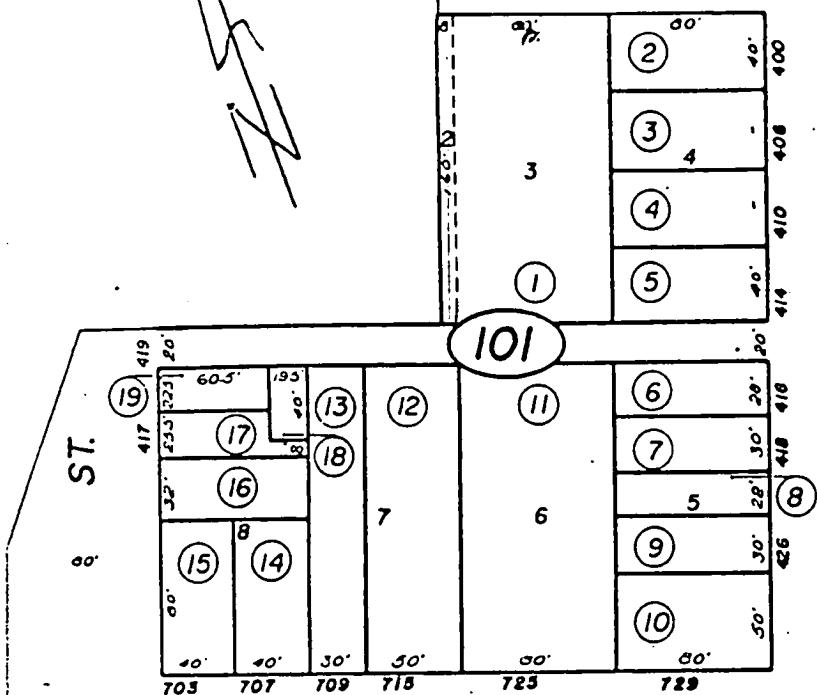
\*\*\*Construction will begin as soon as local building permits have been obtained.

OLD CITY

D

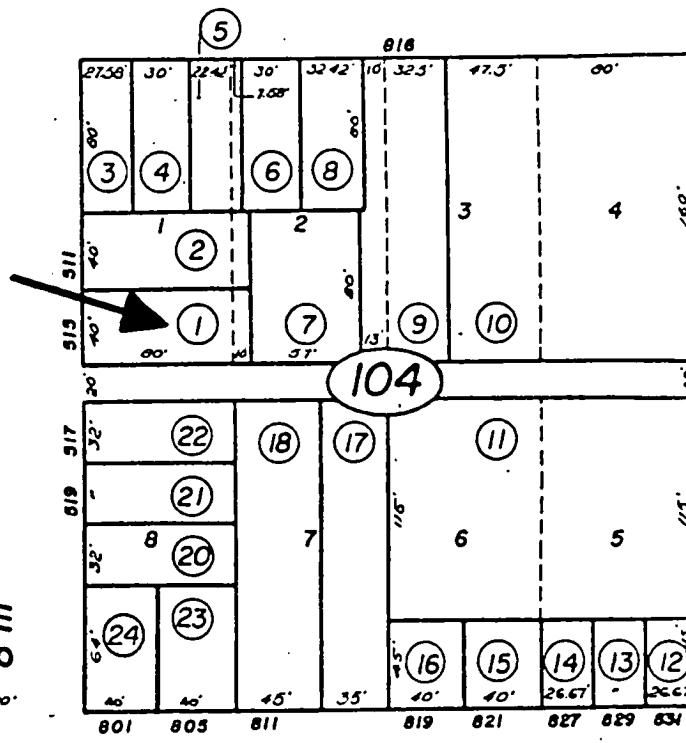
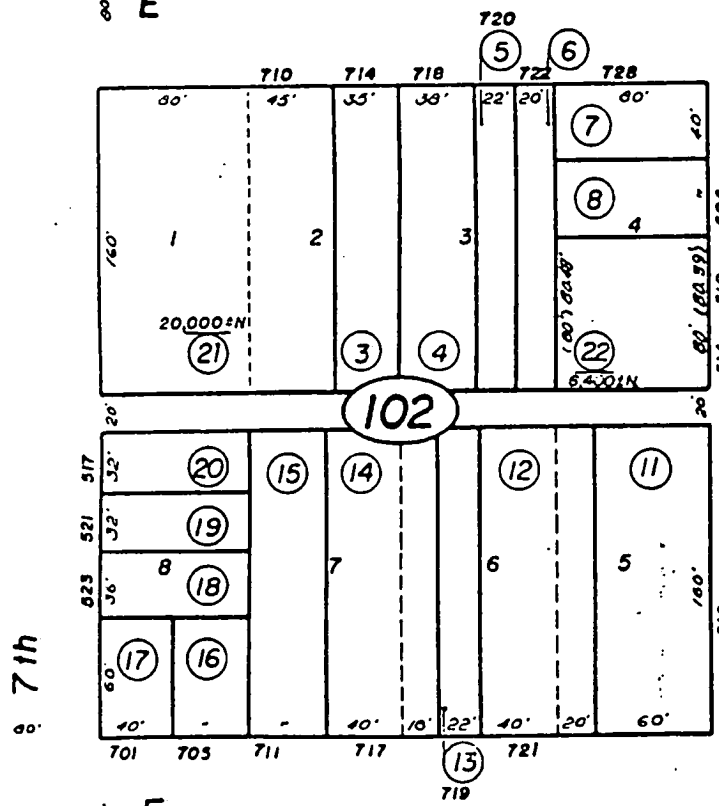
ST.

ST. 8



E

ST. 8



F

ST. 8

IMPORTANT: This plat is not a survey. It is merely furnished as a convenience to locate the land in relation to adjoining streets and other lands and not to guarantee any dimensions, distances, bearings, or acreage.

14

Assessor's Block Numbers Shown in Ellipses.  
Assessor's Parcel Numbers Shown in Circles.

CITY OF  
Assessor's  
County of