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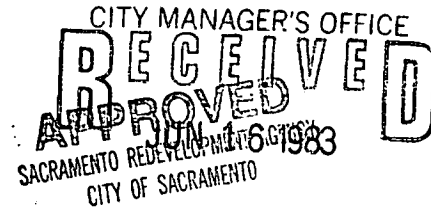
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

June 15, 1983

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Obligation of Tax Increment Funds



JUN 21 1983

SUMMARY

Attached are resolutions identifying appropriations of tax increment funds to support redevelopment activity in the Agency's seven (7) Redevelopment Project Areas.

BACKGROUND

Pursuant to California Health and Safety Code Section 33675, the Agency must file with the County Auditor by October of each year a statement of indebtedness identifying obligations of the Agency. The statement of indebtedness is the instrument by which the County Auditor appropriates and pays tax increments to the Agency to support Agency activities. Obligations identified on the statement of indebtedness must be incurred prior to June 30th of each year. To this end, we have attached resolutions appropriating carry-over funds from prior year tax increments and appropriating tax increment funds anticipated as of June 30, 1984.

These resolutions satisfy requirements of Redevelopment Law. They do not represent new allocations nor do they reflect a change in previously established Agency policy. The appropriations of funds via the resolutions will establish indebtedness and will permit the County Auditor to release tax increment funds to the Agency. The resolutions appropriate current funds and funding anticipated during the July 1, 1983 to June 30, 1984 fiscal year, to project activities previously approved by the Agency and recommended by the appropriate Project Area Committees. For your information and review we have attached the Redevelopment Agency resolutions (and support materials as necessary) authorizing prior year and current year appropriations. These resolutions are numbered as follows and include:

1. Five Year Tax Increment Financing Plan Report dated March 1982.
2. Amendment to the Five Year Tax Increment Financing Plan Report dated August 6, 1982.

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- 3. Three Year Tax Increment Financing Plan for Del Paso Heights, Alkali Flat and Oak Park Redevelopment Project Areas dated October 20, 1982.
- 4. Alkali Flat Implementation Strategy conceptually approved on January 18, 1983.

Also attached are previously approved resolutions committing tax increment funds anticipated through June 1984 as follows:

- 5. Single Room Occupancy (SRO) Demonstration, Resolution No. 83-044.
- 6. 17th Street Commons, Resolution No. 82-082.
- 7. 7th and D Engineering.
- 8. Project Maestra supplemental funding.

These resolutions were approved in anticipation of release of 1983-84 tax increments. Other project activities not previously appropriated are identified in the subject Resolution as Exhibit C.

On April 19, 1983 the City Council adopted a resolution authorizing a work program and work schedule for acquisition and disposition of the property in the block bounded by K, L, 12th and 13th Streets (see Attachment 9). The resolution also authorized the allocation of previously appropriated tax increment funds from Project Areas Nos. 2-A, 4 and 8 to support the work program as shown in the attached resolution. The effect of this action on previously approved Capital Improvement projects was to require that the Agency:

- 1. Defer action on certain previously funded non-emergency Capital Improvements projects for funding from anticipated 1983-84 fiscal year tax increments.
- 2. Develop alternative financing sources for the affected projects.

The summary of all Capital Improvement projects supported by carry-over tax increment funds on hand and current (1982-83) year tax increments is identified as Exhibit A-1, 2 to the subject resolution. Tax increment funds anticipated during the 1983-84 Fiscal Year are attached as Exhibit B to the Resolution. Tax increment funds appropriated to support debt service, administration, including Project Area Committees' staff costs, are identified as Exhibit C. Because the Redevelopment Plans for Alkali Flat, Oak Park and Del Paso Heights are currently

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being updated certain of the appropriations may be amended or modified at a later date in order to be consistent with updated Redevelopment Programs. As you know, the Downtown Plan is also being updated at this time. This Plan is still in its early stages and consultant recommendations regarding funding are not yet forthcoming. Projected date of completion for the Alkali Flat Plan Update is December 1983; for Oak Park Plan Update completion date is December 1983; for the Del Paso Heights Update March 1984; and for the Downtown Project Areas, projected completion date is April 1984.

A summary of the Capital Improvement Project activity for each Project Area is as follows:

Oak Park

The primary focus of the appropriations for the Oak Park Redevelopment Project Area is a provision of new housing, economic development, including the construction of the new shopping center and housing rehabilitation.

Del Paso Heights

The primary focus of appropriations for the Del Paso Heights Redevelopment Project Area is a provision of major Capital Improvements.

Alkali Flat

The primary focus of appropriations in the Alkali Flat Redevelopment Project Area is the provision of new housing, economic development and housing site acquisition, the Project Maestra development and engineering costs.

Downtown Project Areas

The primary focus of appropriations in Downtown Project Areas Nos. 3, 4 and 8 is the repayment of bonds outstanding, replacement housing and improvements to existing garages, acquisition of site for new garage construction and acquisition of the 12th-13th-K-L Street hotel site. The primary focus of appropriations in Downtown Project Area No. 2-A is the provision of replacement housing.

Interim Financing for Selected Projects

As stated previously in this report, the projects listed in this report are ones that have had previous approvals by the Agency and various Project Area Committees. These projects will be funded from tax tax increments until June 30, 1984.

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There is a need to provide interim financing of certain projects to fill in a time gap between June 30, 1984 and the implementation of recommendations that will be forthcoming from the Downtown Redevelopment Plan Update. This is brought about by the rearrangement of project priorities to fund the Capitol Center Hotel, the need to continue critical construction projects started now, the need to implement early recommendations of the Downtown Redevelopment Plan Update and need to take advantage of development opportunities through joint public/private ventures.

The following is a list of projects and their estimated costs that would be candidates to receive some type of interim financing:

- 1. Extension of South Parking Garage near Old Sacramento - \$500,000 (land)
250,000 (Plans and Specifications)

\$750,000

Agency staff and developer are working on a joint public/private expansion of this garage to service office and public demand for parking. If the joint venture concept does not materialize, the Agency would have to purchase land and construct the parking garage. The Agency would need a consultant to prepare Plans and Specifications and a revenue bond would be used to pay for construction.

- 2. Old Sacramento Waterfront - \$1,717,572

Need cash to complete Phase I of the waterfront. Remainder to be bonded as part of the Redevelopment Plan Update implementation program.

- 3. Downtown Commercial Loan - \$500,000

There is a need to establish a revolving loan program for commercial revitalization as an early implementation tool for the Downtown Redevelopment Plan Update. The majority of funds to be added to this initial outlay would come from bonds or other sources to be identified in the implementation plan.

Specific staff recommendations will be forthcoming to the Agency on these projects and no action is being requested.

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FINANCIAL DATA

The Agency's action approving the resolutions will affirm prior appropriations committing the tax increment funds to project activities as described on Exhibits A-1, 2, B and C and, in conformance with Redevelopment Law, establish that the Agency has outstanding debt.

In summary, the subject resolution identifies appropriations to Capital Improvements as follows: 1) Exhibit A-1 prior year carry-over funds, \$6,264,021; 2) Exhibit A-2, 1982-83 tax increments, \$10,652,902; 3) Exhibit B 1983-84 tax increments, \$4,336,760; 4) Exhibit C, Administration and Debt Retirement, \$6,300,946. Total appropriations \$27,554,629.

POLICY IMPLICATION

The actions proposed are consistent with previously approved policy and there are no policy changes being recommended.

VOTE AND RECOMMENDATION OF COMMISSION

It is anticipated that at its meeting of June 20, 1983, the Sacramento Housing and Redevelopment Commission will adopt a motion recommending that you take the above-mentioned action. In the event they fail to do so, you will be advised prior to your June 21, 1983 meeting.

RECOMMENDATION

The staff recommends adoption of the attached resolution identifying appropriations committing funds to support redevelopment activity in Project Area Nos. 2-A, 3, 4, 5, 6, 7 and 8.

Respectfully submitted,

Andrew Mesico
for WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe
WALTER J. SLIPE
City Manager

Contact Person: Leo T. Goto

RESOLUTION NO. 83-052

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

June 21, 1983

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

ADOPTION OF RESOLUTION IDENTIFYING
AND AFFIRMING TAX INCREMENT APPROPRIATIONS

JUN 21 1983

WHEREAS, the Redevelopment Agency of the City of Sacramento has adopted Redevelopment Plans, approved by the City Council, as follows:

- A. Capitol Mall Area, Project Area No. 2-A, approved September 13, 1955 and subsequently amended;
- B. Capitol Mall Extension, Project No. 3, approved June 16, 1960 and subsequently amended;
- C. Capitol Mall Riverfront Project, Project No. 4, approved August 25, 1966 and subsequently amended;
- D. Del Paso Heights Project, Project No. 5, approved May 12, 1970 and subsequently amended;
- E. Alkali Flat Project, Project No. 6, approved February 10, 1972 and subsequently amended;
- F. Oak Park Project, Project No. 7, approved May 30, 1973;
- G. Uptown Development Project, Project No. 8, approved July 20, 1972 and subsequently amended; and

WHEREAS, the Agency has proposed, and where appropriate, Project Area Committees have reviewed and approved activities to carry out goals of the aforesaid Redevelopment Plans; and

WHEREAS, the Agency has appropriated funds to support the goals of the aforesaid Redevelopment Plans.

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

Section 1. The Agency identifies and affirms the appropriation of tax increment funds to support redevelopment

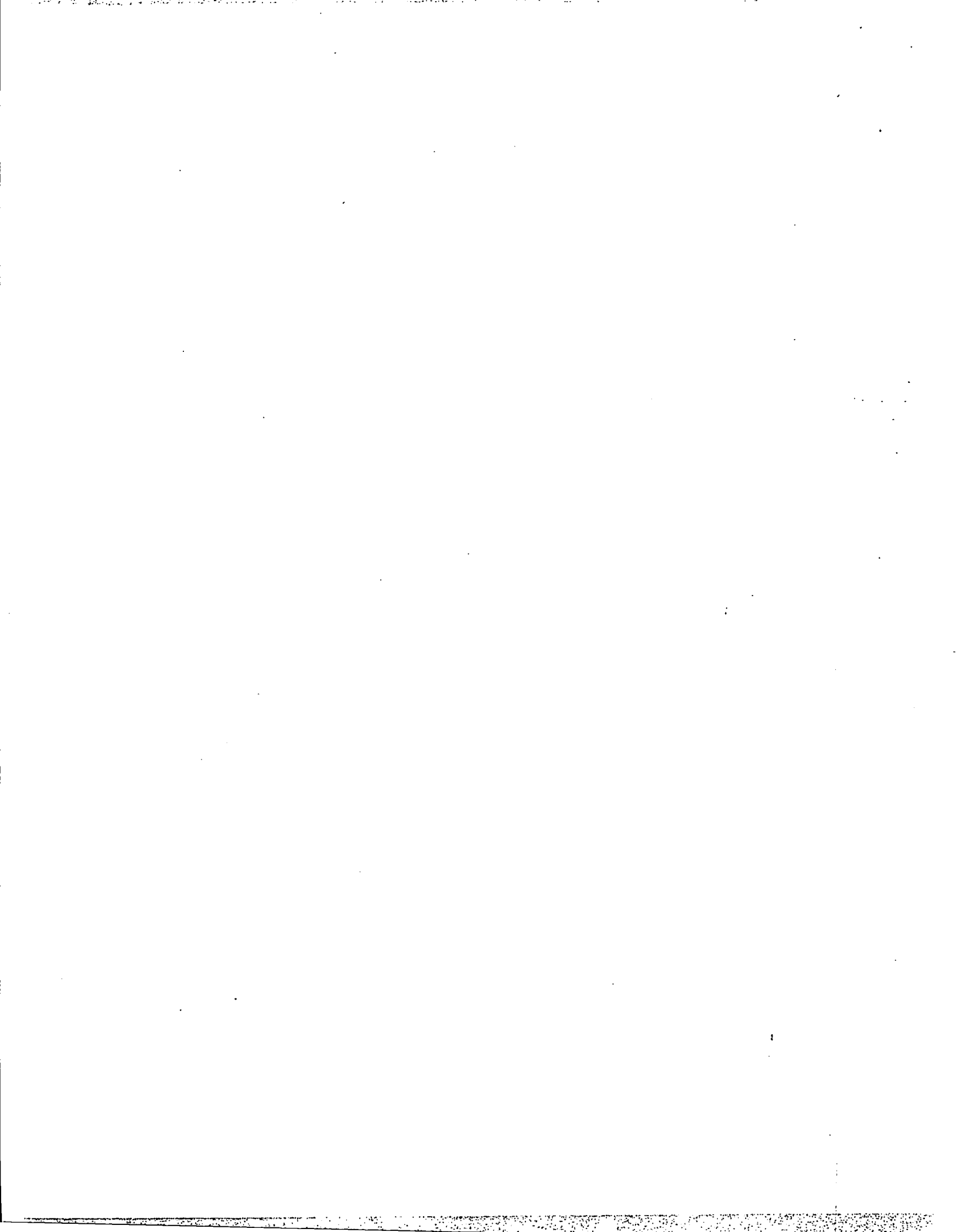
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project activities as described on Exhibits A-1, 2, B and C, attached hereto and made a part hereof.

CHAIRMAN

ATTEST:

SECRETARY



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EXHIBIT A-1

CARRYOVER TAX INCREMENTS
CAPITAL PROJECTS
1983

Project Description	Project 2A	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Emergency Reserve	Parking Facility	TOTAL
Carryover Projects From Prior Periods										
1010 Replacement Housing	86,838		97,841				6,773			191,452
0413 Old Sacramento Waterfront			500,000							500,000
0401 McDowell Building			28,562							28,562
0445 Museum & History			850,000					850,000		1,700,000
0502 Assessment District #5				569,003						569,003
0610 Project Maestra					258,482					258,482
0702 Oak Park Shopping Center						655,867				655,867
4271 Oak Park Land Acquisition						240,000				240,000
0882 Acquisition Revolving Loan Program							500,000			500,000
0840 11th & J Site Improvement							75,070			75,070
Fire Station #2							243,000			243,000
0819 Parking Control Equipment									187,000	187,000
0471 Art Work									101,794	101,794
0904 4th Street Garage Tunnel									88,000	88,000
0235 Exhaust System Garage K									723,288	723,288
0413 Under Freeway Parking									100,000	100,000
Garage K Access									75,003	75,003
0440 4th Street, J-K Alley			27,500							27,500
Total Carryover	<u>86,838</u>		<u>1,503,903</u>	<u>569,003</u>	<u>258,482</u>	<u>895,867</u>	<u>824,843</u>	<u>850,000</u>	<u>1,275,085</u>	<u>6,264,021</u>

(8)

EXHIBIT A-2

FISCAL YEAR 1982-1983 APPROVED CAPITAL PROJECTS

Project Description	Project 2A	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Emergency Reserve	Parking Facility	Total
1983 Approved Capital Projects										
Crocker Museum-Const. Drawings	125,000									125,000
0447 Alley Old Sacramento			30,000							30,000
0448 Wood Sidewalk			20,000							20,000
0402 Alley J & K Old Sacto.			50,000							50,000
0436 K Street Underpass			20,000							20,000
0451 Wood Sidewalk Replacement			55,000							55,000
0457 Old Sacramento Handicap Access			435,000							435,000
0458 Old Sacramento Waterfront Firehouse Purchase	653,809			71,592						653,809
0522 Del Paso Hqts Tree Planting				50,000						50,000
0700 Oak Park Shopping Center						447,300				447,300
0706 Oak Park Child Care Center						184,400				184,400
0329 Capital Center Project	1,920,000		500,000				3,180,000	1,000,000	900,000	7,500,000
0338 Ramona Hotel Street Imp.									240,000	240,000
0470 Service Court Improvements									300,000	300,000
0454 Old Sacto Waterfront									338,101	338,101
0821 K Street Mall									60,000	60,000
0822 K Street Mall Handicap Protect.							20,000			20,000
E Street Pedestrian Underpass									8,700	8,700
Security Lighting Old Sacto.			20,000							20,000
7th Street- D to E Street					20,000					20,000
Old Sacto Trash Bins			4,000							4,000
Total 1983 Capital	<u>2,698,809</u>	<u>-0-</u>	<u>1,134,000</u>	<u>121,592</u>	<u>20,000</u>	<u>631,700</u>	<u>3,200,000</u>	<u>1,000,000</u>	<u>1,846,801</u>	<u>10,652,902</u>
Total Carryover & 1983 Capital	<u>2,785,647</u>	<u>-0-</u>	<u>2,637,903</u>	<u>690,595</u>	<u>278,482</u>	<u>1,527,567</u>	<u>4,024,843</u>	<u>1,850,000</u>	<u>3,121,886</u>	<u>16,916,923</u>

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EXHIBIT B

TAX INCREMENTS
CAPITAL PROJECTS
7/1/83 - 6/30/84

(10)

Project Description	Project 2A	Project 3	Project 4	Project 5	Project 6	Project 7	Project 8	Emergency Reserve	Parking Facility	TOTAL
Approved Capital Projects										
Site Demonstration							*300,000**			300,000
Hotel Rehabilitation							*200,000**			200,000
Replacement Housing	1,577,914									1,577,914
Fifth Street Canons	69,753*		385,247*							455,000
Capital Improvements				803,794						803,794
Zoning & D.S.L. Engineering					20,000*					20,000
Project Muestra Amendment					15,125*					15,125
Replacement Housing					964,927					964,927
Shopping Center						942,488				
Total 1984 Capital	<u>1,577,914</u>	<u>Ø</u>	<u>385,247</u>	<u>803,794</u>	<u>1,000,052</u>	<u>942,488</u>	<u>500,000</u>	<u>Ø</u>	<u>Ø</u>	<u>4,336,760</u>
Total Carryover & 1983 Capital										<u>16,910,923</u>
Total Carryover & 1984 Capital										<u>21,253,683</u>

* Indicates funds appropriated by previous resolution
** represents transfer of funds from Project Area 2A

EXHIBIT 'C'

TAX INCREMENTS

OPERATING EXPENSES
7/1/83 - 6/30/84

(11)

<u>Project Description</u>	<u>Project 2A</u>	<u>Project 3</u>	<u>Project 4</u>	<u>Project 5</u>	<u>Project 6</u>	<u>Project 7</u>	<u>Project 8</u>	<u>Emergency Reserve</u>	<u>Parking Facility</u>	<u>TOTAL</u>
Debt Service - Bonds		876,165	184,013							1,060,178
Debt Service - Loan from Project 2A & 4							2,023,078			2,023,078
Operating - Redevelopment Plan Update	2,290	Ø	244,719	369,821	76,042	62,149	193,816	1,456,158	12,695	2,917,690*
Operating - Project Area Committees				100,000	100,000	100,000				300,000
TOTAL Exhibits A-1, 2,B GRAND TOTAL	<u>2,290</u>	<u>876,165</u>	<u>428,732</u>	<u>469,821</u>	<u>176,042</u>	<u>162,149</u>	<u>2,216,984</u>	<u>1,456,158</u>	<u>12,695</u>	<u>6,300,946</u> <u>21,583,683</u> <u>27,554,629</u>

*Indicates appropriation for consultant environmental studies (\$320,000+) and administration/overhead costs for program implementation

RESOLUTION NO. 82-012

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

March 9, 1982

TAX INCREMENT FINANCING PLAN
1982-1986

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

Section 1. The financing plan for 1982 including activities and funding levels as described in Exhibit II, is hereby approved, subject to subsequent approvals of specific programs.

Section 2. The financing plans for 1983-1986 as described in Exhibit II is hereby approved in concept only, subject to annual updates and further planning.

Section 3. The Interim Executive Director is authorized to proceed under State law to merge Projects Nos. 2-A, 3, 4 and 8.

Cheryl J. Bentley
CHAIRMAN

ATTEST:

William H. Edman
SECRETARY



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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

January 4, 1982

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Utilization of Tax Increment Funds in Years 1982-1986

SUMMARY

This report recommends the establishment of priority projects, funding levels and a timetable for the expenditure of tax increment funds in the years 1982-1986. It recommends the expenditure of funds for replacement housing, the establishment of a revolving loan fund for acquisition of selected owner participation projects that are not being developed, the preparation of plans, specifications and construction of Phase I and II of the Old Sacramento Waterfront to act as a catalyst for water-oriented commercial developers and the preparation of plans, specifications and construction of the "U" garage next to the Travelers Hotel. The overall plan is consistent with previous staff recommendations. The report also includes answers to nine questions raised by the Budget and Finance Committee (see Exhibit I).

This report, for the first time, presents tentative priorities for the allocation of tax increment funds over the next five-year period. It is a guideline that, upon adoption, will require yearly updates and specific program proposals. Further refinement can be expected in the future and adjustments made through more detailed planning.

BACKGROUND

A staff report dated August 4, 1981 (which had been approved by the Sacramento Housing and Redevelopment Agency (SHRA) Commission) was reviewed by the Budget and Finance Committee on September 1, 1981.

RECOMMENDED FINANCING PLAN 1982-1986

The recommended financing plan is similar to and consistent with the earlier staff report of August 4, 1981, except for the following:

1. Revenue Estimates Are Up

The revenue projects of the August 4th report relied on the 1981 budget. This report incorporates revenues from the 1982 preliminary Agency budget. The 1982 figures are generally higher than those projected earlier.

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2. Housing Mortgage Revenue Bond Funds Eliminated

As noted in the August 4th report, a total of \$1.2 million was recommended for use as a local City share in the event the City and County Mortgage Revenue Bond Program had to have a local injection of funds in order for the program to function. A number of other California cities are contemplating local cash infusions into similar programs. This activity, however, is being recommended for deletion because other portions of a local match were not available and the Agency's bond underwriter has developed a funding mechanism that relies on cash infusions by developers. Local Sacramento developers who are interested have signed up, placed cash deposits with the Agency and have agreed to this approach.

3. "U" Garage

The "U" garage is being recommended to be paid for in cash (50% City, 50% tax increment-Agency) accumulated from operating revenues and deposited in the parking facility account rather than a combination of cash and lease revenue bonds as recommended earlier. This approach is being recommended because of the greater availability of funds than projected earlier, it is more cost-effective and the Agency receives an immediate cash return on investment.

4. Waterfront

The construction of Phase I and II is accelerated to begin in late 1982 instead of stretched out in sub-phases through 1984. This was done because of the greater availability of funds, need to reduce costs where possible due to inflation, and to act as an immediate catalyst for private developers. It should be noted that Phases III and IV are not recommended at this time. Staff is recommending an incremental approach for financing these later phases, e.g., local tax increment funds may be leveraged against Federal or State grants or the private sector.

5. Old Sacramento Handicap Access

The problem of handicap access in Old Sacramento is being handled by the Engineering Department of the City. A consultant's study, recently completed, indicated that a total of \$435,000 will be needed for corrections in Old Sacramento to meet various Federal and State regulations. This cost is broken down as follows:

Ramps	\$ 45,000
Boardwalks	\$ 73,000
Alleys and Streets	\$317,000

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Because of the need to comply under the law, \$435,000 is being recommended to allow for handicap access in Old Sacramento.

GENERAL STRATEGY

1. This staff report, consistent with the August 4th recommendations, continues to place a major emphasis on replacement housing for low and moderate income persons. Cutbacks by the present Administration will probably continue for the next few years and therefore local tax increments may be the only source of funds for housing. However, the manner in which these housing funds will be utilized will likely be different than before. In the future, the local tax increment funds will be used, whenever possible, to leverage other outside funds, e.g., various private and public partnerships will have to be researched and developed by the newly-created Policy and Planning Unit. Financing mechanisms such as (if available) the use of SB 99 commercial and residential mixed use project to utilize a below-market interest rate loan and further reduce the interest rate by the use of tax increment as a write down, is an example of a possible public/private partnership. Specialized housing such as congregate living to fill in the gap between the Agency's regular housing programs and private convalescent care will be researched and recommended if appropriate.
2. Projects that create economic activity to the community and Agency are also being recommended. These include the funding of Phase I and II of the Old Sacramento Waterfront which can act as a catalyst to spur private additional development of commercial, office and riverfront uses. The funding of the "U" garage on the Travelers' Hotel block will not only fulfill a legal commitment but enable the Agency to obtain a direct and immediate cash return on its investment without resorting to expensive bonds or other debt financing. Placing a portion of the Agency's tax increment portfolio into economic activities which not only benefit the community but benefit the Agency as well seems to make good sense in these uncertain times and in an era of diminishing resources.

The following are the recommended projects, priorities and funding levels with the adjustments as outlined in this report.

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RECOMMENDED FINANCING PLAN 1982-1986

Year	Amount Available	Activities (Uses of Resources)	Estimate Cost
1982	Carryover 1982 Fund Balance \$7,143,806 1982 Estimated Revenue 5,368,530 Total Resource \$12,512,336	Items in Agency 1982 Preliminary Budget: Operating Expenditures Debt Service Capital Improvement: Replacement Housing Waterfront Plan Garage Art Work Parking Control Equipment Additional Proposed Item: Agency Revolving Loan Fund Reserves: Committed to Debt Service Contingency Available for 1983	\$1,478,019 574,610 3,500,000 1,600,000 300,000 187,000 \$7,639,629 1,500,000 379,430 ^{1/} 100,000 2,893,277
1983	\$4,214,613 +2,893,277 (carryover from 1982 reserves) \$7,107,890	a. Agency Replacement Housing b. Waterfront, Phase II c. Handicap access for Old Sacramento d. Reserves	\$1,000,000 5,599,528 435,000 73,312
1984	\$4,157,502 + 73,312 (carryover from 1983 reserves) \$4,230,814	a. Agency Replacement Housing b. Preparation of Plans and Specifications for "U" Garage c. Reserves	\$1,000,000 400,000 2,830,814
1985	\$4,786,977 +2,830,814 (carryover from 1984 reserves) \$7,617,791	a. Agency Replacement Housing b. Construction of "U" Garage c. Reserves	\$5,000,000 2,300,000 ^{2/} 317,791
1986	\$4,486,958 + 317,791 (carryover from 1985 reserves) \$4,804,749	a. Agency Replacement Housing b. Reserves	\$3,500,000 1,304,749

1/ Previously approved by Council action.

2/ \$5,000,000 (total cost) - \$400,000 (plans) = \$4.6 ÷ 2 = \$2.3 million as Agency share. City to pay \$2.3 million.

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REPORTS

The following are answers to questions raised by the Budget and Finance Committee:

1. Exhibit II is transmittal of material received and reviewed by the Housing and Redevelopment Commission.
2. Exhibit III is the Agency Counsel's legal opinion on permitted uses for tax increment funds.

A. In summary, the appropriate criteria for the determination of whether a given expenditure is a permissible use of tax increment funds are as follows:

- (1) The expenditure must be in repayment of an "indebtedness" which is (a) for redevelopment activity as defined in Section 33678(b) and (b) is a contractual obligation which, if breached, would subject the Agency to damages of other liabilities or remedies; and
- (1) The expenditure (a) shall be made pursuant to a general or specific grant of substantive or programmatic power and shall be capable of implementation under the grant of administrative or ministerial power, and (b) shall not have been specifically prohibited by the Agency.

Any proposed expenditure failing to meet both of the above criteria shall be an impermissible expenditure of tax increment funds.

- B. Report No. 3 concerns the "Fazio legislation" as it relates to the proposed use of tax increments for housing.

As noted in Exhibit III, Opinion of Counsel, Page 10, the "Fazio legislation" allows the merger of existing Redevelopment Project Areas only within the City of Sacramento in order to allow the expenditure of tax increment funds from one Project Area to another Project Area subject to certain conditions. To date, this merger has not occurred and therefore there is no effect.

The "Fazio legislation" (33460) has been subsequently modified with Article 16 which contains provisions for the merger of Project Areas on a State-wide basis. Section 33489 gives Article 16 the exclusive authority for merger of Redevelopment Project Areas after January 1, 1981. This Article provides for the merger of Redevelopment Project Areas if they result

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
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in substantial benefit to the public and assist in the re-vitalization of blighted areas. Twenty percent (20%) of all tax increments shall be used for the construction or rehabili-tation of housing units for very low, low and moderate income persons for a period of no less than 30 years. Construction and rehabilitation also includes subsidies necessary to provide housing for very low, low and moderate income households. The Agency may use the housing funds inside or outside the Project Area. A merger of Project Nos. 2-A, 3, 4 and 8 are recommended as a part of the financing plan. A staff report will be pre-pared upon approval of this report with specific recommendations pertaining to this merger.

- 3. Report No. 4 is the Historical Displacement of Housing Units and Payment of Relocation Costs since the inception of the project.

According to the staff memo contained in Appendix IV, the total estimated number of dwelling units demolished is 1,845 with relo-cation payments totaling \$1,501,188.

- 4. Report No. 5 is the use of tax increments for certain operating expenditures such as street sweeping and police services.

There does not appear to be any general or specific legislative authority which would allow Redevelopment Agencies to maintain a program for street sweeping or police services. Further, there is no indication of any contractual obligation, the breach of which would give rise to damages or other remedies.

Since the findings above do not satisfy both of the tests as de-fined by Legal Counsel, we conclude the use of tax increments for street sweeping and police services is not legally permitted.

Activities such as street sweeping or police services could be funded by using tax increments for capital improvement projects in Redevelopment Project Areas which have been previously earmarked to be funded by general revenue sources. These general revenue monies could then be used for operations. The substitution of tax increments to pay for a portion of the City of Sacramento's con-tribution towards the Museum and History Museum in Old Sacramento is an example of this approach.

- 5. Report No. 6 is the use of tax increments to finance proposed City capital improvement projects.

Jack Crist, Director of Finance, in a memo dated December 16, 1981 states that he has reviewed the City of Sacramento's preliminary

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
January 4, 1982
Page Seven

1981-1982 Capital Improvement Program, keeping in mind the Chief Counsel's legal opinion including the need for attached indebtedness and non-operating uses, and concludes there are no City capital improvement projects currently planned which could be funded by tax increments in Redevelopment Project Areas. However, he did suggest financing of the "U" garage which is already included in the recommended Plan as well as the new History Center which is not recommended as a priority at this time.

6. Report No. 7 concerns feasibility of funding the parking structure ("U" garage) from operational revenues from the Operating Parking Fund.

Les Frink, Traffic Engineer, estimates the "U" garage to cost approximately \$5 million in 1984 and his memo dated October 15, 1981 (Appendix V) indicates that assuming a 50% split of the cost between the Agency and City (similar to I-5 garage) there would be sufficient funds available from operating revenues to pay cash for the garage. The Agency staff concurs and is recommending this approach because it is cost-effective and allows the City and Agency access to immediate and continued revenues.

7. Report No. 8 is the use of tax increments to supplement Section 8 Moderate Rehabilitation Program and Commercial Rehabilitation Program.

A. Section 8 Moderate Rehabilitation

In this Federal program the owner agrees to rehabilitate his units at a minimum of \$1,000 and leases it to the Agency for 15 years at up to 120% of fair market rent. The lease payments would amortize the moderate rehabilitation loan. The program was initially structured to be viable at interest rates of 12%. Local interest rates have been much higher than 12% and therefore Sacramento, as well as many other cities, has been experiencing a lack of response to this program. The Agency staff researched this problem extensively and reviewed the program with over a dozen other cities. Staff has determined that a variable interest rate loan program of \$300,000 is needed to assist this program.

Early review indicated that this program would not meet the criteria established in the Opinion of Counsel and therefore would not be eligible for tax increment funds. However, the Chief Counsel has concluded that it does meet the criteria and is eligible. However, based on the initial finding of non-eligibility and faced with a deadline of June 1982 to complete

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
January 4, 1982
Page Eight

the current allocation of units to the City or lose the units, Agency staff made a decision to request Community Development Block Grant (CDBG) funds. With the concurrence of the City CDBG coordination a staff report will be heard by the Budget and Finance Committee on January 12, 1982 recommending \$300,000 from CDBG contingency for this loan program. If the need arises at some future date, tax increments can be used to supplement future allocations of Section 8 Moderate Rehabilitation funds.

B. Commercial Rehabilitation Loan Program

Section 33753.J of the Health and Safety Code has added recent amendments which would allow for the implementation of a Commercial Loan Program within Project Areas under certain conditions. "Residence" is defined as real property that includes residential structures, commercial or mixed uses of residential and commercial. Projects financed under this provision shall not exceed 80,000 square feet of gross building area per development. The loans would have to be made through a qualified mortgage lender and the square footage of the commercial structure shall not exceed 30% of the aggregate square footage of all of the commercial and residential structures within the Project Area.

This last provision would generally not allow commercial loans to be made through tax increments in the Central Business District where the majority of the square footage is commercial. It could allow loans to be made in traditional neighborhood areas.

Inasmuch as the context of the question raised by Council Members related to the possibilities of using tax increment funds for commercial loan purposes in the downtown area and the downtown area's square footage exceeds the 30% aggregate figure of commercial and residential within Project Areas, we cannot find any general or specific empowerment which would allow Redevelopment Agencies to develop and implement a downtown Commercial Rehabilitation Loan Program using tax increment funds. Further, there is no evidence of any contractual obligation, the breach of which would give rise to damages or other remedies.

Since the fundings above do not satisfy both of the tests as defined by Legal Counsel and with Counsel concurrence, we conclude that the use of tax increments for the establishment and operation of a downtown Commercial Rehabilitation Loan Program is not legally permitted.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento

January 4, 1982

Page Nine

8. Report No. 9 concerns a strategy for citizen participation for the downtown areas as it relates to the use of tax increments.

During the formulation of the previous staff report dated August 4, 1981, presentations and discussions were held with two organizations noted below:

A. SHRA Commission.

B. Central City Advisory Committee.

It should be noted that the Central City Advisory Committee is made up of 11 persons who represent a number of organizations including the Downtown Merchants Association, Chamber of Commerce, Environmental Council of Sacramento and Capitol Area Renters' Fund.

Inasmuch as the recommendations contained in this report are essentially consistent with previous presentations and approvals received from the SHRA Commission and Central City Advisory Committee representing a broad spectrum of Central City groups, there does not seem to be a need to devise another layer of citizen participation to review this report. It is Agency staff's position that adequate review has already taken place and any other review will be redundant.

FINANCIAL DATA

See recommended financing plan.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of January 18, 1982, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES:	Coleman, Knepprath, Luevano, A. Miller, Teramoto, Walton
NCES:	None
NOT PRESENT TO VOTE:	Fisher
ABSENT:	B. Miller
VACANCY:	One

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
January 4, 1982
Page Ten

RECOMMENDATION

The staff recommends adoption of the attached resolution of priorities and funding plan for selected projects in the Central City.

Respectfully submitted,

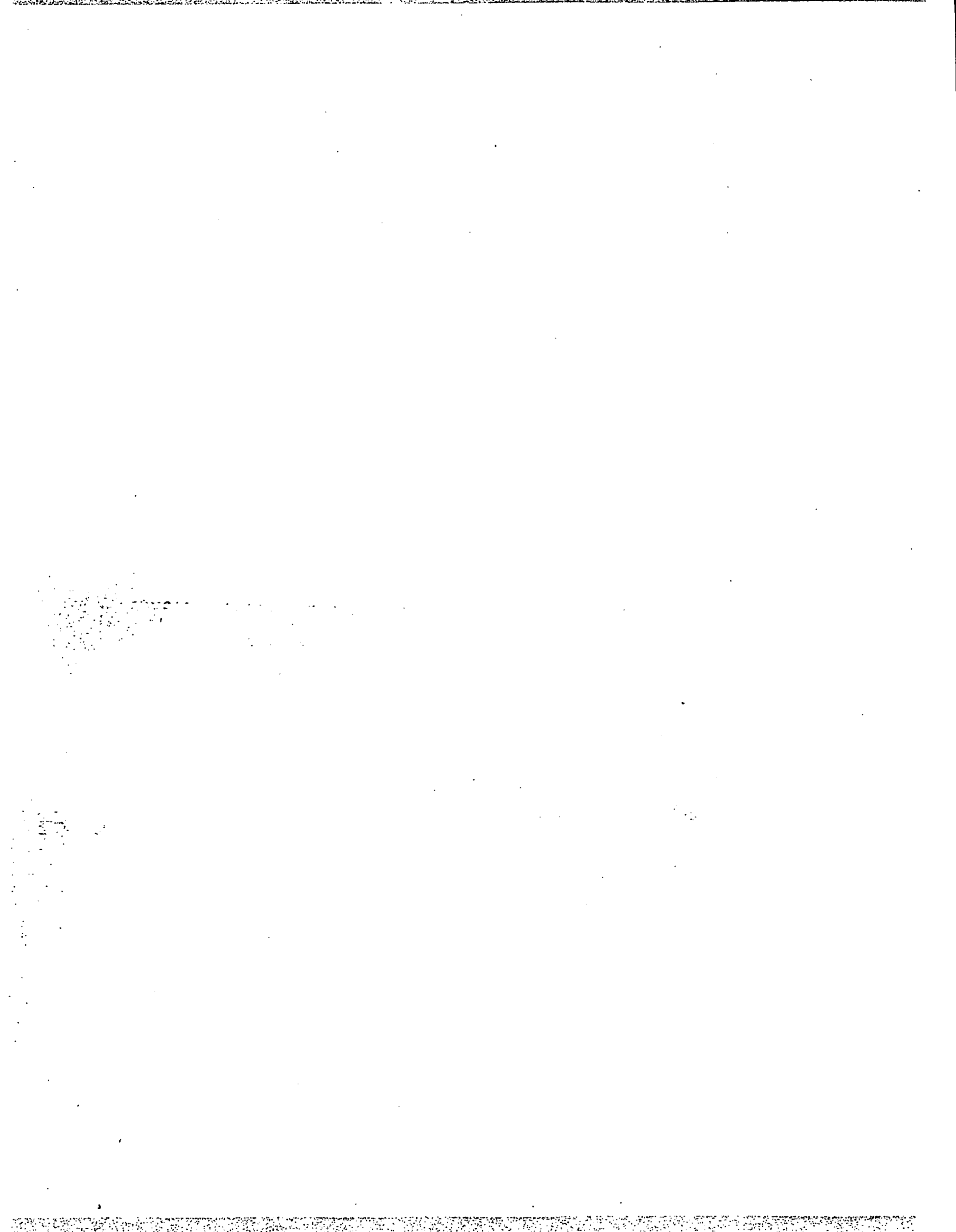
William H. Edgar

WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Leo T. Goto



RESOLUTION NO. 82-064

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

August 31, 1982

A RESOLUTION AMENDING THE 1982 AGENCY BUDGET FOR THE REDEVELOPMENT DIVISION BUDGET UNIT REGARDING AN UPDATED REDEVELOPMENT PLAN FOR PROJECT NOS. 2-A, 3, 4 AND 8

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

Section 1. It is necessary to amend the Redevelopment Plans for Redevelopment Project Nos. 2-A, 3, 4 and 8 for the purpose of developing an undated plan for the four Project Areas as merged into a single Downtown Redevelopment Project.

Section 2. The Agency Budget for 1982 is hereby amended by appropriating One Hundred Seventy-Two Thousand Dollars (\$172,000) from the unappropriated Project Nos. 2-A, 4 and 8 Tax Increment Fund balances to the Redevelopment Division Budget, Organization 2400, for the purpose of updating the aforementioned plans within the context of consideration of a merger of the aforementioned plans into a single Downtown Redevelopment Project.

Cheryl J. Bentley

CHAIRMAN

ATTEST:

William H. Flynn

SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY

of RESOLUTION NO. 82-064
SEP 10 1982

DATE CERTIFIED
Fusine Meyer

Acting Secretary

82-064
RESOLUTION No. _____
AUG 31 1982 (23)

RESOLUTION NO. 82-066

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

August 31, 1982

A RESOLUTION AMENDING THE AGENCY CAPITAL
IMPROVEMENT BUDGET FOR 1982 FOR
THE HISTORY AND MUSEUM CENTER,
AND FIRE STATION NO. 2 PROJECTS

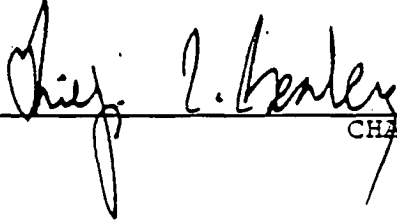
BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1. The Agency Capital Improvements Budget
for 1982 is hereby amended:

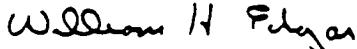
(a) by increasing the appropriation for the History
and Museum Center Project from \$1,100,000 to \$1,702,000, a total
of \$602,000; and

(b) by adding the Fire Station No. 2 Project as a new
activity and establishing \$243,000 as the project cost.

Section 2. The above appropriation action is to be
supported by increments appropriating \$845,000 from the Project
4 and Project 8 Tax Increment Fund Equities.


CHAIRMAN

ATTEST:

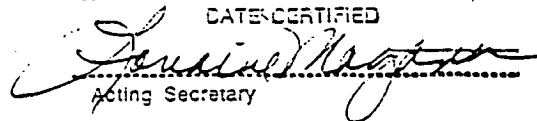

SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY

OF RESOLUTION NO. 82-066

SEP 10 1982

DATE CERTIFIED


Acting Secretary

RESOLUTION No. 82-066

AUG 31 1982

RESOLUTION NO. 82-067

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

August 31, 1982

A RESOLUTION APPROVING THE MECHANISM FOR REDUCTION
IN THE RECEIPT OF \$975,000 IN PARKING REVENUES
FOR 1982 AND 1983 BY THE REDEVELOPMENT AGENCY

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

Section 1. On June 29, 1982 The City Council adopted
the 1982-83 City of Sacramento Budget which included the provision
to withhold payment of Nine Hundred Seventy-Five Thousand Dollars
(\$975,000) in parking lease payments to the Redevelopment Agency
for the 1982-83 fiscal year.

Section 2. The Redevelopment Agency will forego the
receipt of parking lease payments from the City of Sacramento to
a maximum of Two Hundred Forty-Three Thousand Seven Hundred Fifty
Dollars (\$243,750) each quarter for the four quarters of the 1982-83
fiscal year beginning September 30, 1982 for a maximum reduction of
Nine Hundred Seventy-Five Thousand Dollars (\$975,000) for the 1982-83
fiscal year.

Section 3. The payment of net parking lease revenue from
the City of Sacramento to the Redevelopment Agency shall resume with
the first quarter of the 1983-84 fiscal year in accordance with
provisions of approved operating agreements for payment of net
revenue of the six parking structures solely and jointly owned by
the Redevelopment Agency unless otherwise modified by action of
both parties.

Cheryl S. Bentley

CHAIRMAN

ATTEST:

William H. Flyger

SECRETARY

CERTIFIED TRUE COPY
REDEVELOPMENT AGENCY

Of RESOLUTION NO. 82-067

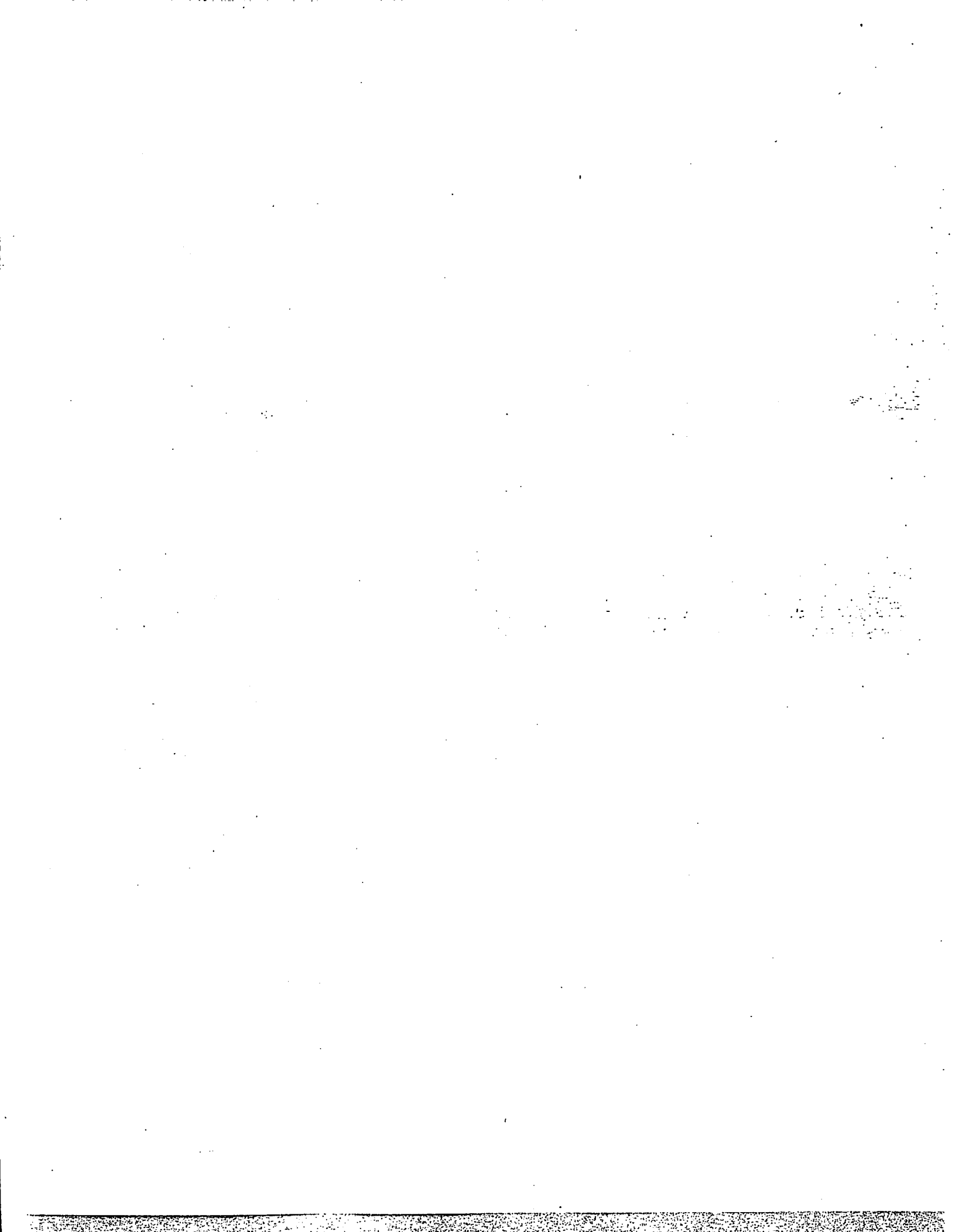
SEP 10 1982

DATE CERTIFIED

Louise Meyer
Acting Secretary

RESOLUTION No. 82-067

AUG 31 1982



RESOLUTION NO. 82-081

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

November 3, 1982

ADOPTION OF THREE YEAR TAX INCREMENT FINANCING
PLANS FOR PLANNING PURPOSES FOR
DEL PASO HEIGHTS, ALKALI FLAT AND OAK PARK
REDEVELOPMENT PROJECT AREAS

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

Section 1. The Agency hereby (1) approves the attach-
ed Three Year Tax Increment Financing Plans for the Del Paso
Heights, Alkali Flat and Oak Park Project Areas covering the
years 1982, 1983 and 1984; (2) approves use of Tax Increment
funds previously appropriated for the 1982 and earlier projects;
(3) approves the use of Tax Increment funds for 1982 projects,
not previously approved, subject to appropriation and approval
of the specific project prior to any expenditures; and (4)
approves the 1983 and 1984 projects as policy direction only.

Cheryl J. Bentley
CHAIRMAN

ATTEST:

William H. Flynn
SECRETARY

CITY OF SACRAMENTO
REDEVELOPMENT AGENCY

of Resolution No. 82-081
Nov 15 1982
DATE APPROVED
Archie Thomas
Acting Secretary

RESOLUTION No. 82-081

NOV 3 1982

FINANCIAL SUMMARY FOR THE
DEL PASO HEIGHTS, ALKALI FLAT AND OAK PARK
REDEVELOPMENT PROJECT AREAS

32-15A

	<u>1982 AND EARLIER</u>	<u>1983</u>	<u>1984</u>	<u>TOTAL</u>
<u>I. DEL PASO HEIGHTS</u>				
A. Tax Increment	\$ 1,090,000	\$ 300,000	\$ 300,000	\$ 1,690,000
B. CDBG	927,000	863,000	Not Projected	1,790,000
C. Housing Production	449,833	948,382	Not Projected	1,398,215
TOTALS	<u>\$ 2,466,833</u>	<u>\$ 2,111,382</u>	<u>\$ 300,000</u>	<u>\$ 4,878,215</u>
<u>II. ALKALI FLAT</u>				
A. Tax Increment	\$ 660,069	\$ 244,000	\$ 250,000	\$ 1,154,069
B. CDBG	719,569	113,200	Not Projected	832,769
C. Housing Production	617,000	320,000	Not Projected	937,000
TOTALS	<u>\$ 1,996,638</u>	<u>\$ 677,200</u>	<u>\$ 250,000</u>	<u>\$ 2,923,838</u>
<u>III. OAK PARK</u>				
A. Tax Increment	\$ 1,151,440	\$ 631,700	\$ 700,000	\$ 2,483,140
B. CDBG	1,135,050	742,000	Not Projected	1,877,050
C. Housing Production	2,598,849	959,181	Not Projected	3,558,030
TOTALS	<u>\$ 4,885,339</u>	<u>\$ 2,332,881</u>	<u>\$ 700,000</u>	<u>\$ 7,918,220</u>
COMBINED TOTALS	<u>\$ 9,348,810</u>	<u>\$ 5,121,463</u>	<u>\$ 1,250,000</u>	<u>\$ 15,720,273</u>

10/4/82

31

REDEVELOPMENT PROJECTS 5, 6, AND 7 TAX INCREMENT
FINANCING PLAN 1982, 83 AND 84

32-16A

PROJECT	1982 & EARLIER	1983	1984	COMMENTS
Del Paso Heights Redevelopment Project Area No. 5				
Del Paso Heights Assessment District No. 6A	\$ 125,000			In combination with \$530,000 in CDBG funds this project will construct curb, gutter & street light improvements in the area bounded by Belton, Nogales, Arcade Creek & Alvarado Boulevard.
Del Paso Heights Assessment District No. 5	\$ 580,000			As in Assessment District 6A this project will construct a full complement of public improve- ments in the area bounded by Fig, Roanoke, South & Willow Streets.
Economic Development Program	\$ 75,000	\$ 125,000		Economic Development Loan/Grant Program to be prepared as a part of Redevelopment Plan Update.
Tree Planting/ Beautification	\$ 50,000	\$ 50,000		Beautification Program to be prepared as a part of the Redevelopment Plan Update.
Homeownership Assistance	\$ 50,000	\$ 50,000		First Time Home Purchase Assistance Program to be prepared as a part of the Redevelopment Plan Update.
Acquisition of Fire Station No. 17	\$ 79,000			Purchase for resale that encourages Community benef
Contingency	\$ 131,000	\$ 75,000	\$ 300,000	Contingencies include amounts to balance any overruns in the line items above or to provide funding for new activities as recommended in the Redevelopment Plan Update.
TOTALS	\$1,090,000	\$ 300,000	\$ 300,000	

Exhibit II

(28)

1. Previously Approved.

10/4/82

33

REDEVELOPMENT PROJECTS 5, 6, AND 7 TAX INCREMENT
FINANCING PLAN 1982, 83 AND 84

32-17/18A

(29)

PROJECT	1982 & EARLIER	1983	1984	COMMENTS
Oak Park Redevelopment Project Area No. 7				
35th Street & 4th Avenue Acquisition	\$ 73,000			Land acquisition for mixed use development.
Oak Park Shopping Center	\$ 460,000			Land acquisition, site preparation, and marketing of neighborhood shopping center
Oak Park Shopping Center	\$ 618,440	\$ 447,300		
Child Care Facility		\$ 184,400		Development of Childcare Facility on the Oak Park Complex Site.
Redevelopment Plan Implementation			\$ 700,000	To provide funding for new activities as recommended in the Redevelopment Plan Update.
	<u>\$1,151,440</u>	<u>\$ 631,700</u>	<u>\$ 700,000</u>	

1. Previously Approved

10/4/82

33

REDEVELOPMENT PROJECTS 5, 6, AND 7 TAX INCREMENT
FINANCING PLAN 1982, 83 AND 84

32-17A

(6)

33

PROJECT	1982 & EARLIER	1983	1984	COMMENTS
ATK511 F1al Redevelopment Project Area No. 6				
Relocation of 616 10th Street	\$ 1,500			Established for Relocation or Demolition in order to clear the Victoria Park Condominium Site.
Payment to SACOG	\$ 15,000			Intermodal Transportation Center Environmental Impact Report.
Intermodal Trans- portation Center	\$ 164,000			Funded to assist in the Develop- ment of the Sacramento Inter- modal Transportation Center.
Project Maestra Program	\$ 272,569			Construction of a facility of house project Maestra Headstart Project.
Replacement Housing Fund	\$ 207,000	\$ 244,000	\$ 250,000	For the Construction or Rehabilitation of residential units specific programs being prepared at this time.
	<u>\$ 660,069</u>	<u>\$ 244,000</u>	<u>\$ 250,000</u>	

1. Previously Approved

REDEVELOPMENT PROJECTS 5, 6, AND 7 COMMUNITY
DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

10/19/82

32-18/19A

PROJECT	PREVIOUS YEARS (IN THOUSANDS)			1982	1983	COMMENTS
	(79-80)	(80-81)	(81-82)			
Del Paso Heights Redevelopment Project Area No. 5						
Grand Ave Street Light- ing Assessment District	\$ 16	\$ 156				Construction ongoing on Street Lighting Program.
Assessment District No. 5		\$ 50	\$ 75			In combination with \$580,000 in tax Increment Funds this project pending construction on full complement of street improvement in area bounded by Elverado, Marysville, Los Robles & Rivera Streets.
Redevelopment Plan	\$ 16	\$ 206	75 \$ 150			Preparation of Redevelopment Plan Update ongoing.
Assessment District 6A				\$ 475,000		In combination with \$125,000 in tax Increment funds this project will construct a full complement of street improvements in the area bounded by Belden, Nogales, Arcade Creek & Alvarado Boulevard.
Assessment District 7					500,000 ⁴	Construction of a full complement of of public Improvements in the Area bounded by Fig, Roanoke, South & Willow.

EXHIBIT III

(31)

CS
CS

33
10/19/82
33

DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

32-18/19A

(32)

PROJECT	PREVIOUS YEARS (IN THOUSANDS)	1982	1983	COMMENTS
South Avenue A/D Plans			50,000 ⁴	Plan for South Avenue Street Improvements.
PAC Budget		80,000	51,700 ⁴	PAC Operations - 1983 Amount 1/2 year.
Workrecreation			14,400 ²	Estimated portion of CDBG funded youth employment program.
Home Rehabilitation Loan Program			230,000 ³	Estimated portion of CDBG funded residential rehabilitation program.
Nuisance Abatement			16,900 ²	Estimated portion of CDBG funded nuisance abatement programs.
	<u>\$ 372,000</u>	<u>555,000</u>	<u>\$ 863,000</u>	

1. Previously Approved
2. Estimated amount allocated to area based on total budget figure and the number of participating target areas.
3. Home rehabilitation estimated allocation is based on historic participation rates; amount of area requiring rehabilitation work; and estimated per unit cost for work. These are very approximate and rough estimates due to the fact that the strategy for the concentrated home rehabilitation program is still under study.
4. Proposed 1983 CDBG Program.

10/19/82

REDEVELOPMENT PROJECTS 5, 6, AND 7 COMMUNITY
DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

32-20A

PROJECT	PREVIOUS YEARS	1982	1983	COMMENTS
Alkali Flat Redevelopment Project Area No. 6				
12th Street Capital Improvements	\$ 180,000 ²	\$ 100,000 ¹		Design underway to provide capital improvements along 12th Street in conjunction with Light Rail & the Alkali Flat Urban Design guidelines. Funds from close out of Alkali Flat CDBG Programs during years 76-77, 77-78 & 80-81. (SEE FOOTNOTE).
Economic Development	\$ 19,635 ²	\$ 15,000 ¹	\$ 50,000 ³	Program Development & Implementation for commercial strip Revitalization. Market study complete, program in development phase.
Substantial Structure Loan/Acquisition Program	\$ 299,961 ¹			Spot rehabilitation program for specific substandard structures. Program being phased out for DRRB Demonstration Program.
Relocation Assistance Program		\$ 20,000 ¹		Relocation assistance to person displaced by private redevelopment activities.
PAC Budget		\$ 85,000 ¹	\$ 13,200 ⁵	PAC operations

REDEVELOPMENT PROJECTS 5, 6, AND 7 COMMUNITY
DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

10/19/82

32-20/21A

PROJECT	PREVIOUS YEARS	1982	1983	COMMENTS
Home Rehabilitation Loan Program			\$ 50,000 ⁴	Estimated portion of CDBG funded residential rehabilitation program.
	<u>\$ 499,596</u>	<u>\$ 220,000</u>	<u>\$ 113,200</u>	

1. Previously approved.
2. Proposed transfer from phaseout 1979-80 "E" Street land acquisition program (C-12B).
3. Home rehabilitation estimated allocated to area based on total budget figure and the number of participating target areas.
4. Home rehabilitation estimated allocation is based on historic participation rates; amount of area requiring rehabilitation work; and estimated per unit cost for work. These are very approximate and rough estimates due to the fact that the strategy for the concentration home rehabilitation program is still under study.
5. Proposed 1983 CDBG Program.

33

REDEVELOPMENT PROJECTS 5, 6, AND 7 COMMUNITY
DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

10/19/82

32-22723A

PROJECT	PREVIOUS YEARS (IN THOUSANDS)	1982	1983	COMMENTS
Oak Park Redevelopment Project Area No. 7				
Oak Park Redevelopment Plan Update	\$ 75,000 (79-80)			Preparation of Redevelopment Plan Update.
Oak Grove Street- lighting Assessment District	\$ 40,000 (80-81)			Streetlighting design currently being prepared.
Oak Park Complex Phase II	\$ 250,000 (80-81)			Park under construction.
Oak Park Street- lighting Assessment District	\$ 98,000 (80-81)			Streetlighting design currently being prepared.
Shopping Center Site Acquisition and Preparation	\$ 88,500 (79-80) \$ 220,000 (81-82)	\$ 232,550	\$ 240,000	Broadway & Sacramento Boulevard site acquisition & preparation for neighborhood Shopping Center.
Wright & Kimbrough Streetlighting Assessment District		\$ 30,000		Streetlighting design currently being prepared.

REDEVELOPMENT PROJECTS 5, 6, AND 7 COMMUNITY
DEVELOPMENT BLOCK GRANT FINANCING
PLAN PREVIOUS YEARS, 1982 & 1983

10/19/82

32-27/23A

PROJECT	PREVIOUS YEARS (IN THOUSANDS)	1982	1983	COMMENTS
PAC Budget		\$ 101,000 ¹	\$ 57,100 ⁵	PAC operation - 1983 amount 1/2 year.
Home Alert Program			\$ 30,500 ³	Estimated portion of CDBG funded Home Alert Program.
Workrecreation			\$ 14,400 ³	Estimated portion of CDBG funded youth employment program.
Home Rehabilitation Loan Program.			\$400,000 ⁴	Estimated portion of CDBG funded
	<u>\$ 771,500</u>	<u>\$ 363,550</u>	<u>\$742,000</u>	

1. Previously Approved
2. Proposed transfer from phased out 1979-80 Oak Park land acquisition (C-14B) and replacement housing program (C-14D)
3. Estimated amount allocated to area based on total budget figure and the number of participation target areas.
4. Home rehabilitation estimated allocated is based on historic participation rates; amount of area requiring rehabilitation work; and estimated per unit cost for work. These are very approximate and rough estimates due to the fact that the strategy for the concentrated home rehabilitation program is still under study.
5. Proposed 1983 CDBG Program.

W
W

10/18/81

REDEVELOPMENT PROJECTS 5, 6, AND 7
HOUSING PRODUCTION PROGRAM

32-74A

PROJECT	ON GOING	ANTICIPATED	COMMENTS
Del Paso Heights Redevelopment Project Area No. 5			
Substantial Rehabilitation (CAL 30-P005-020 and CAL 30-P005-02) 27 units estimated.	\$ 449,833 <u>\$ 449,833</u>	\$ 948,382 <u>\$ 948,382</u>	DHUD financed program in which existing units are acquired by the Housing Authority, rehabilitated and used to house low income families.
Alkali Flat Redevelopment Project Area No. 6			
Conventional Family (CAL 30-P-005-022) 16 Units - Townhouse	\$ 617,000 <u>\$ 617,000</u>		DHUD financed program which provide conventional new construction of family rental units for low-income families in a single complex.
Demonstration Rental Rehabilitation Program 25 Units Estimated		\$ 320,000 <u>\$ 320,000</u>	CDBG financed rehabilitation program for existing rental units supplemented by DHUD's provision of Section 8 certificates.
Oak Park Redevelopment Project Area No. 7			
Substantial Rehabilitation (CAL 30-P005-020 and CAL 30-P005-021) 32 units estimated.	\$ 673,317	\$ 959,181 <u>\$ 959,181</u>	See Above (CAL 30-P005-020 & 021)
Conventional Family (CAL 30-P005-024) 20 Units	\$1,049,930		See Above (CAL 30-P005-022)
Scattered Site Family (CAL 30-P005-023) 14 Units - Single Family	\$ 875,602		DHUD financed program which provides conventional new construction of rental units for low income families on 14 scattered sites.
	<u>\$2,598,849</u>		

EXHIBIT IV

33

RESOLUTION NO. S3-007

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF
January 18, 1983

RESIDENTIAL-OFFICE STUDY AND IMPLEMENTATION STRATEGY ALKALI FLAT

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

SECTION 1. The Alkali Flat Residential-Office (R-O) study attached hereto as Exhibit II is hereby approved;

SECTION 2. The zoning categories as shown on Exhibit I attached hereto are approved in concept pending adoption of the Alkali Flat Redevelopment Plan and Central City Community Plan after the required public hearing process;

SECTION 3. Staff is hereby directed to analyze and report back on the impact of non-residential parking lots in the Medium Density Residential zone;

SECTION 4. Staff is hereby directed to prepare appropriate Redevelopment Plan and Community Plan amendments to implement the subject study and Commission and Agency recommendations;

SECTION 5. The Alkali Flat Implementation Study is hereby conceptually approved subject to review in the context of Section 4 above.

R. Burnett Tucker
CHAIRMAN

ATTEST:

William H. Flynn
SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY

of Res. No. S3-007

JAN 21 1983

DATE CERTIFIED
Anne G. Mason

Assistant Acting Secretary

RESOLUTION No. S3-007

JAN 18 1983



RESOLUTION NO. 83-044

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF
MAY 31 1983

RESOLUTION IMPLEMENTING THE RECOMMENDATIONS
OF THE DOWNTOWN ELDERLY AND TRANSIENT
HOUSING TASK FORCE

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

Section 1. Redevelopment Agency staff is hereby direct-
ed to implement to the greatest extent possible the recommenda-
tions in the Final Report of the Downtown Elderly and Transient
Housing Task Force, including participation as required in follow-
up task forces.

Section 2. The Agency's Community Development Block
Grant Program and 1983 Budget is amended by appropriating \$15,000
from the Contingency Fund to be used for the purpose of implementing
the recommendations of the Downtown Elderly and Transient Housing
Task Force Final Report.

Section 3. The Agency Budget for 1983 is hereby amended
by appropriating \$500,000 from the Replacement Housing Fund to be
used to implement the recommendations of the Downtown Elderly and
Transient Housing Task Force Final Report.

R. Burnett Fuller
CHAIRMAN

ATTEST:

William H. Edgar
SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY

of Res. 83-044

6-3-83
DATE CERTIFIED

Anne J. Mason
Acting Secretary

RESOLUTION No. 83-044

MAY 31 1983

RESOLUTION NO. 82-082

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

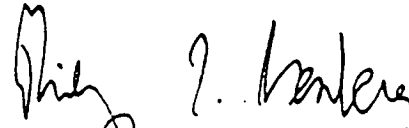
November 3, 1982

RESOLUTION AMENDING THE 1982 AGENCY CAPITAL IMPROVEMENTS BUDGET

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

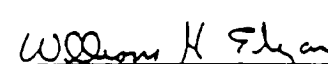
Section 1. Subject to satisfactory evidence of a loan by the National Consumer Cooperative Bank (NCCB) in an amount of not less than Eight Hundred Seventy-One Thousand Dollars (\$871,000.00), the Executive Director is authorized to execute a loan agreement and regulatory agreement with the Seventeenth Street Commons, in a form acceptable to Agency Counsel, regulating a loan of not more than Four Hundred Forty-Five Thousand Dollars (\$445,000.00) secured by a second deed of trust on the cooperative housing premises.

Section 2. The 1982 Agency Capital Improvements Budget is hereby amended by transferring \$445,000 of the \$3,500,000 in Tax Increments previously appropriated for Replacement Housing (Cost Center 0000) to the Seventeenth Street Commons Project (Cost Center 0800) as stated above.



CHAIRMAN

ATTEST:

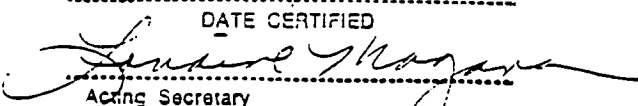


SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY

of Res. No. 82-082

Nov 15, 1982
DATE CERTIFIED



Acting Secretary

82-082
RESOLUTION No. _____

NOV 3 1982

RESOLUTION NO.

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

RESOLUTION AMENDING THE AGENCY CAPITAL
IMPROVEMENT BUDGET FOR 1983 FOR THE
ALKALI FLAT PROJECT 7TH STREET CONNECTOR,
D STREET TO E STREET, AND AUTHORIZING
THE EXECUTIVE DIRECTOR TO EXECUTE A
CONTRACT FOR SAID SERVICES

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

Section 1. The Agency Capital Improvements Budget for
1983 is hereby amended by the addition of the Seventh Street
Connector, D Street to E Street (Engineering Services) activity
and establishing \$20,000 as the project cost.

Section 2. The above appropriation action is to be
supported by transferring \$20,000 in Project Area 6 Funds from
the Replacement Housing (City) Alkali Flat Project (Cost Center
0600).

Section 3. The Executive Director is authorized to
execute a Contract with Morton and Pitalo Civil Engineers
for the Engineering Services.

CHAIRMAN

ATTEST:

SECRETARY

RESOLUTION NO.

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

June 7, 1983

PROJECT MAESTRA PRELIMINARY ARCHITECTURAL PLANS BUDGET AMENDMENT

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

Section 1. The Preliminary Architectural Plans attached hereto, are hereby approved.

Section 2. The Executive Director is directed to prepare Final Architectural Plans and Specifications.

Section 3. The Agency's Capital Improvements Budget is hereby amended by reducing the Project 6 Tax Increment Replacement Housing Budget by \$15,125 from \$244,000 to \$228,875 (0600) and increasing the Project Maestra Budget from \$272,000 to \$287,125 (0630).

ATTEST:

CHAIRMAN

SECRETARY

CERTIFIED AS TRUE COPY
REDEVELOPMENT AGENCY ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

RESOLUTION NO. 83-041

ON DATE OF

Resolution No. 83-041

May 24, 1983

MAY 25, 1983

DATE CERTIFIED

Genial Maspero
Acting Secretary

RESOLUTION REGARDING ACQUISITION OF
AND APPROVING THE REQUEST FOR PROPOSALS
FOR DEVELOPMENT OF PROPERTY WITHIN THE
BLOCK BOUNDED BY K, L, 12TH AND 13TH STREETS

WHEREAS, on April 19, 1983, the Agency adopted a resolution establishing just compensation for acquisition of real properties located on the block bounded by K, L, 12th and 13th Streets and variously owned by Capitol Center I, Bank of America, and Dr. Bernard Hummelt; and

WHEREAS, by the same resolution the Agency directed the Executive Director to make every reasonable effort to acquire the aforesaid properties by negotiation; and

WHEREAS, the purpose for acquisition of the aforesaid properties is the development of the Capitol Center Hotel Project, including a major first-class hotel and ancillary development.

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

Section 1. The Executive Director is hereby directed to continue with negotiations to acquire the real property owned by the Bank of America described as Assessor's Parcel No. 6-112-1.

Section 2. The Agency hereby conceptually approves the Request for Proposals attached hereto as Exhibit VIII.

Section 3. The Executive Director is hereby authorized, subject to the approval of the Sacramento Housing and Redevelopment Commission, to enter into agreements and to expend funds as necessary to carry out the Capitol Center Hotel Project for purposes and not to exceed amounts specified as follows:

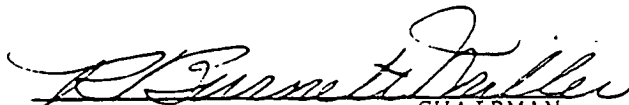
A. Acquisition and Assembly Costs:

- | | |
|--|-----------|
| 1. Relocation of tenants (all existing structures) | \$240,000 |
| 2. Escrow Fees | 15,000 |
| 3. Legal Fees | 15,000 |

4. Appraiser Court Fees/ Additional Research	\$ 25,000
5. Title Reports	-0-
6. Survey	3,000
7. Demolition (all existing structures)	252,000
8. Staff time	5,000
9. Contingency	<u>10,000</u>
Total	\$575,000

B. Developer Selection Costs

1. Consultant Contract with real estate economics firm (market- ing RFP, review, financial analysis of proposals)	\$ 20,000
2. Preparation of Request for Proposals (graphics, printing, etc.)	5,000
3. Advertising Costs	3,000
4. Staff Time	18,000
5. Contingency	<u>4,000</u>
Total	\$ 50,000


CHAIRMAN

ATTEST:

William H. Flyer
SECRETARY

WORK PROGRAM AND TIME SCHEDULE
FOR ACQUISITION/DISPOSITION:

CAPITOL CENTER PROJECT 12th-13th-N-L STREETS

<u>ITEM</u>	<u>DATE(S)</u>	<u>CUMULATIVE TIME</u>
1. City Council meeting regarding Special Permit with performance conditions; Carma Developers formal request for public financial assistance. City Council decides to assemble the property; approve work program for acquisition/disposition; authorize Agency to proceed with acquisition and selection of developer; determination of just compensation; approve financing plan.	April 19, 1983	—
2. Conduct negotiations; make offer to purchase (Government Code 7267.2)	April 20, 1983 - May 2, 1983	2 weeks
3. Finalize Request for Qualifications (RFQ) by consultant.	May 6, 1983	2.5 weeks
4. Distribute/advertise Request for Qualifications (RFQ); consultant to handle marketing and distribution.	May 11, 1983	3 weeks
5. Resolution of Necessity for acquisition.	May 17, 1983	1 month
6. Initiation of eminent domain action.	June 1, 1983	1.5 months
7. RFQ submittals due to the Agency.	July 8, 1983	3 months
8. Screening of RFQ and selection of top three RFQ submittals by staff.	August 26, 1983	4.5 months
9. Proposals by top three RFQ submittals due.	November 28, 1983	7.5 months
10. Selection of developer and begin negotiations on disposition/development agreement. <u>1/</u>	January 12, 1983	9 months

1/ Any contract with a developer would make delivery of legal title contingent upon completion of eminent domain litigation.

FINANCING PLAN TO PROVIDE FUNDING FOR
FOR ACQUISITION, ASSEMBLY
AND DISPOSITION OF THE 12th-13th-K-L STREET PROPERTY

<u>ITEM</u>	<u>AMOUNT</u>
1. <u>Use of Estimated December 31, 1983 Tax Increment Fund Balance</u>	\$ 320,000
2. <u>Use of Tax Increment appropriations for Replacement Housing Program; reinstate appropriations with 1984 Tax Increment Revenues</u>	\$ 3,280,000

The 1982 and 1983 Agency Budget included appropriations of \$3,500,000 and \$1,000,000 in Downtown Tax Increment Funds for Replacement Housing. The intent was to use these funds in accordance with specific housing recommendations of the Downtown Redevelopment Plan Update anticipated to be adopted by March 1984. To date, there have been three appropriations of these funds: (1) \$445,000 for the 17th Street Commons Project; (2) \$500,000 for single room occupancy housing; and (3) \$188,000 loan to CADA for elderly housing construction and minor rehabilitation program.

It is anticipated the balance would not be needed until after March 1984 after adoption of the Downtown Redevelopment Plan Update. Based upon estimated level of tax increment revenues and anticipated expenditures for 1984, it is anticipated that cash funding could be returned to the Replacement Housing Fund by June 1984. Therefore, use of the \$3,280,000 in cash fund would not adversely effect the Replacement Housing Program.

3. <u>Use of a portion of the Tax Increment appropriations for the Revolving Loan Fund Project</u>	\$ 1,000,000
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The \$1,500,000 Revolving Loan Fund was budgeted in 1982 for the purpose of using such funds to acquire properties in Old Sacramento and other downtown areas as a result of defaulted Owner Participation Agreements and Development Disposition Agreements. To date, these funds have not

ITEM

AMOUNT

been utilized, however, there are a few potential cases that could require the use of a portion of the \$1,500,000. Therefore, the use of \$1,000,000 - cash funding would not adversely effect the anticipated need for the Revolving Loan Fund.

- 4. Use of a portion of Tax Increment appropriations for Old Sacramento Waterfront Project; and finance remainder of the Phase I Project Tax Allocation Bonds \$ 2,000,000

The 1982 and 1983 Agency Budget included appropriations of \$500,000 and \$3,217,572 in Downtown Tax Increment Funds for the Old Sacramento Waterfront Project (plans/specifications and Phase I development) for a total of \$3,717,572. The timing of the actual development is that it is anticipated to begin November 1983. As an alternative financing to the current tax increment cash appropriation, staff is recommending utilizing the cash balance (\$3,717,572 - \$2,000,000 = \$1,717,572) of tax allocation bonds to fund the remaining Phase I development of the Old Sacramento Waterfront Plan at an estimated cost of \$1,500,000. Under this approach, a tax allocation bond issue could be sold using annual Project 4 tax increment revenues (estimated to be \$700,000) for the annual debt service. This approach would allow use of \$2,000,000 in tax increment cash funding with construction of Phase I waterfront as scheduled.

- 5. Use of Parking Facility Fund appropriations for Parking Garage "U" Project; and finance the project with Lease Revenue Bonds \$ 900,00

In the 1983 Agency Budget there is an appropriation of \$1,000,000 in Parking Facility Funds as a reserve for the construction of Parking Garage "U" (4th-5th-J-K Streets). It is anticipated due to the timing of current and proposed development activity in the subject block, construction of the 800 space garage should occur in 1984. As an alternative to financing the project with cash Parking Facility Fund and Tax Increment Fund appropriations, staff is recommending the use of lease revenue bonds to fund the entire project at an estimated cost of \$7,750,000.

ITEM

AMOUNT

Under this approach a \$10,000,000 bond issue could be sold using annual parking lease revenues for the annual debt service payment estimated to be \$1,300,000. This assumes a 23 year term at 12% interest. This approach would allow the use of \$900,000 in Parking Facility Funds for the Capitol Center Project and develop Garage "U" as scheduled.

TOTAL

\$ 7,500,000