



Agency Report 36

CITY MANAGER'S OFFICE
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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

May 13, 1981

Housing Authority of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: The Abandonment of Efforts to Enforce Certain
Options to Purchase

SUMMARY:

The attached resolution instructs the Executive Director to abandon any further efforts to enforce certain options to purchase relating to Woodbine Apartments, Rio Linda Manor Apartments, Mills Station Road Apartments, and Camellia Commons Apartments.

BACKGROUND

On November 25, 1980, your Board instructed the Executive Director to take certain actions designed to exercise certain options to purchase relating to the captioned properties as well as to that involving Polk Street Apartments. Your Board also instructed the Executive Director to examine the feasibility of acquiring Camellia Commons Apartments at the next available opportunity.

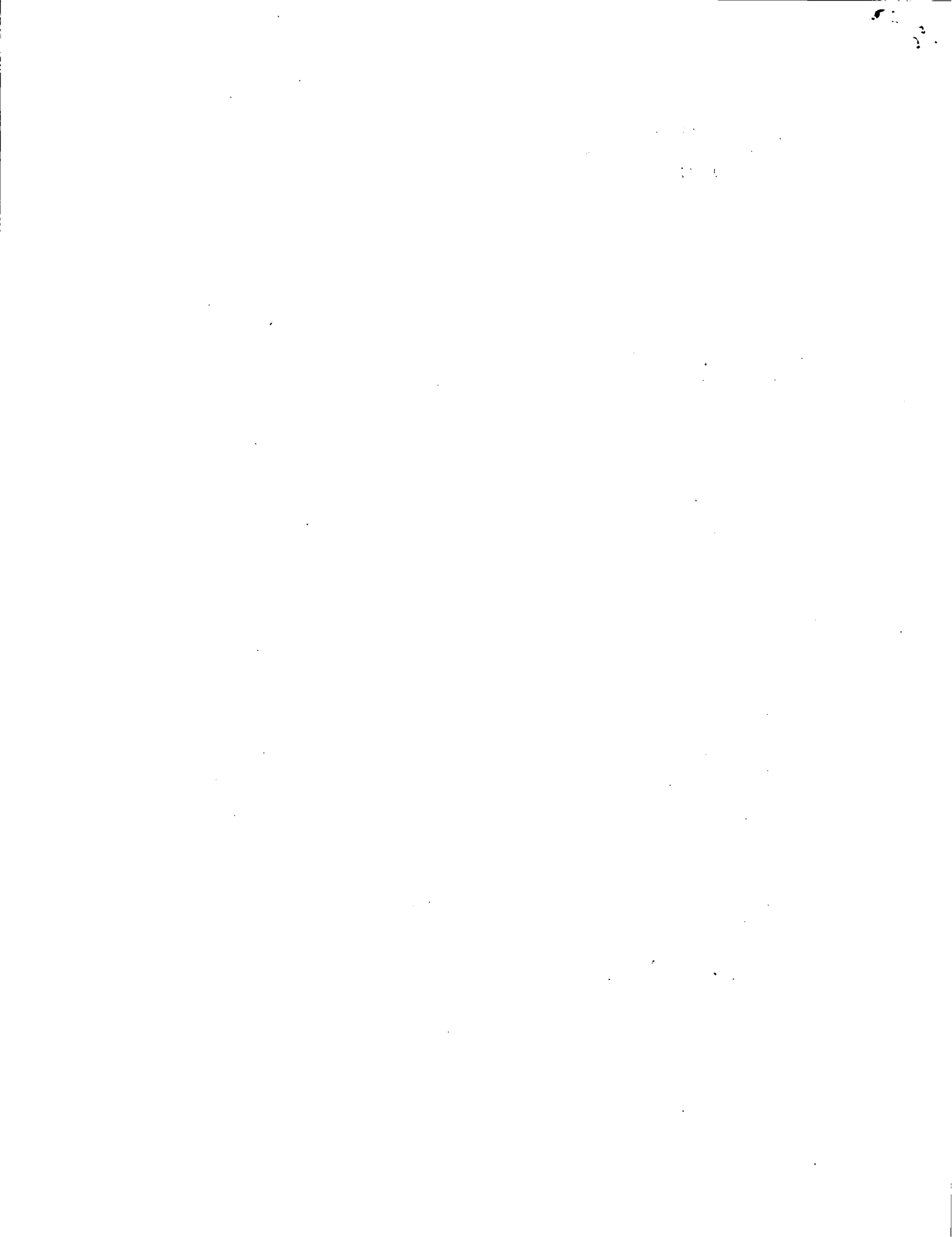
In the interim, your Board has approved an agreement with Polk Street Properties, Ltd. whereby the option pertaining to Polk Street Apartments has been abandoned in consideration of other benefits flowing to the Authority. Also, the Authority's Chief Counsel has advised you in Executive Session on certain matters relating to the enforceability of these options.

Accordingly, and upon a full review of all of the factors affecting the options, it is the recommendation of the staff that further efforts to enforce the remaining options through litigation be abandoned.

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 5/19/81

5-19-81
All Districts



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As to Camellia Commons, the staff has explored a number of alternative methods of financing the continued operation of Camellia Commons under the Section 23 lease with the Department of Housing and Urban Development. Unfortunately, it became clear in February and March of this year, that there was no feasible alternative to retain the lease at this time. Accordingly, the staff concludes that the provisions of the lease cannot be kept in force until the next period of available exercise would occur. Accordingly, it is also the recommendation of the staff that further efforts to acquire Camellia Commons Apartments under the option to purchase be abandoned.

FINANCIAL IMPACT

The abandonment of the options will have no discernible financial impact upon the Authority.

VOTE OF THE COMMISSION

This matter was submitted to the Sacramento Housing and Redevelopment Commission as an information item at their regular meeting of May 18, 1981.

RECOMMENDATION

It is recommended that further efforts to acquire the captioned properties pursuant to certain options to purchase held by the Authority be abandoned.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe for:
WALTER J. SLIPE
City Manager

Contact Person: Brenton A. Bleier

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RESOLUTION NO. HA- 81-048

Adopted by the Housing Authority of the City of Sacramento

May 19, 1981

ABANDONMENT OF EFFORTS TO ENFORCE
CERTAIN OPTIONS TO PURCHASE

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY
OF SACRAMENTO:

Section 1. The Executive Director is authorized to
abandon any further efforts to exercise those certain options to
purchase relating to Woodbine Apartments, Rio Linda Manor Apart-
ments, Mills Station Road Apartments and Camellia Commons Apart-
ments, received by the Authority in conjunction with the execu-
tion of the leases of the abovementioned premises under Section 23
of the National Housing Act, as amended.

CHAIRMAN

ATTEST:

SECRETARY

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 5/19/81