

AMENDED
RESOLUTION NO. 2001-022

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF APR 10 2001

**APPROVAL OF THE METRO PLACE OFFICE/RESIDENTIAL PROJECT AND
AUTHORIZATION FOR EXECUTION OF A DISPOSITION AND DEVELOPMENT
AGREEMENT WITH FIRST KEY, LLC REGARDING 818 J STREET; PUBLIC
IMPROVEMENT DEVELOPMENT AGREEMENT; AND RELATED AUTHORIZATIONS**

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

WHEREAS, the Agency owns certain real property ("Property"), in the Project area acquired with Project Area tax increment funds, which Property is generally described as 818 J Street, and more particularly described in the legal description, (Attachment 2, Exhibit B to staff report)

WHEREAS, the Agency and the First Key, LLC ("Developer") desire to enter into a Disposition and Development Agreement ("DDA"), a copy of which accompanies this resolution and is on file with the Agency Clerk, which DDA would convey fee 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, the Agency has certified the Final EIR for the Project and adopted and approved the Findings of Fact and Statement of Overriding Considerations and approved a Mitigation Monitoring Plan;

WHEREAS, a report under Health and Safety Code 33433 has been prepared, filed with the Agency and City Clerks 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;

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

Section 1. The Project will assist in the elimination of blight in that it will consolidate fragmented parcels, increase property values, remove incompatible and uneconomical uses, and restore the property to a productive use. The Project is consistent with the goals and objectives of the Redevelopment Plan and the Implementation Plan. Applicable goals of the

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Redevelopment Plan, as stated in the Implementation are: (a) to eliminate small, irregular lots, (b) to improve visual/aesthetic appearance of the Project Area, and (c) to improve/upgrade the appearance and safety of downtown area streets, sidewalks and alleys. 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 2. The consideration given for the interest conveyed under the DDA is not less than the fair reuse value with the covenants, conditions, restrictions and necessary development costs authorized by the DDA and conveyance documents.

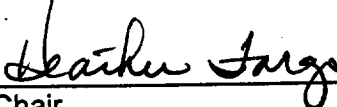
Section 3. The 250 public parking spaces that are the subject of the Public Improvement Development Agreement ("PIDA") are of benefit to the Project Area. The payment of funds for the land and improvements will assist in the development of off-street parking to support the need of shoppers, visitors, residents and cultural and civic events at Cesar Chavez Plaza.


Section 4. The Agency hereby finds and determines that the construction of the Public Improvements is so interwoven with the redevelopment of the mixed use project, that it is not feasible or practical from a design, architectural, engineering, construction or cost standpoint to redevelop the site and provide needed parking as a separate construction project without the Public Improvements, that the construction of said elements in an integrated and coordinated manner with the Developer under this PIDA is the only feasible means of achieving such construction, and that the total costs to the Agency of constructing the Public Improvements will be substantially less than if said elements were constructed as separate construction projects.

Section 5. Authorization is given for the Developer to pay \$1.15 million in satisfaction of the Agency's Aesthetic Improvement Polity for placement of public art in and around the public areas of the Project.

Section 6. The DDA is approved and the Deputy City Manager is authorized to execute the DDA with the Developer and to take such actions, execute such other documents and instruments as approved by Agency counsel, and amend the budget as may be necessary to effectuate and implement this resolution and the DDA.

Section 7. The Deputy City Manager is authorized to execute, on or before the close of escrow, a Public Improvement Development Agreement, a Public Parking Space Lease Agreement, in substantially the form as included in the DDA.


Chair


Secretary

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