RESOLUTION NO. 2008-267

Adopted by the Sacramento City Council

May 6, 2008

FINDING THAT THE USE OF TAXES ALLOCATED FROM THE RAILYARDS REDEVELOPMENT PROJECT FOR THE PURPOSE OF INCREASING, IMPROVING, AND PRESERVING THE COMMUNITY'S SUPPLY OF LOW- AND MODERATE-INCOME HOUSING OUTSIDE THE PROJECT AREA WILL BE OF BENEFIT TO THE PROJECT

BACKGROUND

A. The Redevelopment Agency of the City of Sacramento (the "Agency") has prepared a proposed Redevelopment Plan (the "Railyards Plan") for the Railyards Redevelopment Project (the "Railyards Project") in accordance with the provisions of the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 *et seq.*, the "CRL"); and

B. If the proposed Railyards Plan is adopted, then pursuant to Article XVI, Section 16, of the California Constitution, Section 33670 *et seq.* of the CRL and the Redevelopment Plan, increases in the assessed values of the property within the Railyards Project Area above the sum of the assessed values as shown on the 2007-2008 assessment roll (the "Base Year Roll") will result in that portion of property taxes levied each year on such increases in assessed values being paid to the Agency as tax increments (the "Tax Increments") to pay the principal of and interest on loans, monies advanced to or indebtedness incurred by the Agency to finance or refinance, in whole or in part, redevelopment in accordance with the Railyards Plan; and

C. Section 33334.2 of the CRL requires that not less than twenty percent (20%) of all Tax Increments allocated to the Agency from the Railyards Project Area (the "Housing Funds") be used by the Agency for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at affordable housing cost to persons and families of extremely low, very low, low or moderate income; and

D. Section 33334.2(g) of the CRL provides that the Agency may use the Housing Funds outside the Railyards Project Area if a finding is made by the Agency and the City Council that such use will be of benefit to the Railyards Project;

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. That the use of Housing Funds from the Railyards Project Area for the purpose of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at affordable housing cost to persons and families of extremely low, very low, low, or moderate income outside the Railyards Project Area will be of benefit to the Railyards Project.

Adopted by the City of Sacramento City Council on May 6, 2008 by the following vote:

Ayes: Councilmembers Cohn, Fong, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember Hammond.

Mayor Heather Fargo

Attest:

Shirley Concolino, City Clerk