

RESOLUTION NO. 2008-030

Adopted by the Redevelopment Agency of the City Sacramento

May 13, 2008

GREYSTONE APARTMENTS: APPROVAL OF \$2,670,000 LOAN COMMITMENT (REDEVELOPMENT PROJECT AREA FUNDS); EXECUTION OF LOAN COMMITMENT AND RELATED DOCUMENTS WITH AVALON COMMUNITIES, LLC AND DAVCO COMMUNITIES, LLC, OR RELATED ENTITY; AUTHORIZATION AND DELEGATION OF AUTHORITY TO REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO TO EXECUTE OWNERS PARTICIPATION AGREEMENT AND RELATED DOCUMENTS WITH AVALON COMMUNITIES, LLC AND DAVCO COMMUNITIES, LLC, OR RELATED ENTITY

BACKGROUND

- A. The Redevelopment Agency of the County of Sacramento has adopted the Franklin Boulevard Redevelopment Plan (Redevelopment Plan) and an implementation Plan for the Franklin Boulevard Project Area:
- B. Avalon Communities, LLC and DAVCO Communities, LLC, has applied for an Agency Loan in the amount of Four Million One Hundred Seventy Thousand Dollars (\$4,170,000) to assist in funding the acquisition and rehabilitation of the 120-unit Greystone Apartments ("Project"), which is comprised of One Million Five Hundred Thousand Dollars (\$1,500,000) in County Home Investment Partnership Funds, One Million (\$1,000,000) in Franklin Boulevard Low/Mod Tax Increment Funds, One Million Three Hundred Twenty Thousand (\$1,320,000) in 2008 County Housing Aggregated Taxable TARB funds and Three Hundred Fifty Thousand (\$350,000) in County Aggregate Low/Mod Tax Increment Funds ;
- C. The Agency desires to utilize County Aggregated Redevelopment Project Area funds for the development of the Project;
- D. The Agency finds that the Project will eliminate blight and promote affordable housing in the Franklin Blvd. Redevelopment Area and preserve the community's supply of low income housing available at an affordable housing cost to persons that are very low and low income households which is located outside of the City Limits but within the project area's jurisdiction;
- E. The Agency finds that the Tax Increment set-aside funds used to fund the Project are needed to make the housing units affordable. Therefore, the project is not required to provide Art in Public Places.

- F. The Sacramento Housing and Redevelopment Agency has determined that the project is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15310 and 15301(a) and (d) which exempts bond and loan financing and rehabilitation of existing facilities where the use remains unchanged.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. The proposed action is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Sections 15310 and 15301(a) and (d) which exempts bond and loan financing and rehabilitation of existing facilities where the use remains unchanged. The project consists of the rehabilitation of a multi-family residential complex in which the unit density will not be changed and the estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after rehabilitation. Therefore, the proposed action is categorically excluded from environmental review under the National Environmental Policy Act (NEPA) pursuant to 24 CFR Section 58.35(a)(3).
- Section 2. It is found and determined that the use of Project Area funds to develop the Project will benefit very low and low income individuals.
- Section 3. It is found and determined that the Tax Increment housing set-aside funds that will be used for the project are needed to make the units affordable and therefore the Project is exempt from providing Art in Public Places.
- Section 4. The Loan Commitment, attached to and incorporated in this resolution by this reference (Exhibit A), for financing the Greystone Apartments project with TI Funds not to exceed \$2,670,000 (a total of loan commitment not more than \$4,170,000 including not more than \$1,500,000 in HOME Funds) is approved and the Agency is authorized to execute and transmit the Loan Commitment to Avalon Communities, LLC and DAVCO Communities, LLC or related entity.
- Section 5. The Redevelopment Agency of the County is authorized to enter into and execute other documents and perform other actions necessary to fulfill the intent of the staff report and the Loan Commitment that accompany this resolution including but not limited to an Owners Participation Agreement between the Redevelopment Agency of the County and Avalon Communities, LLC and DAVCO Communities, LLC, or related entity, in accordance with their respective terms, and to ensure proper repayment of the Agency funds, including without limitation, subordination, extensions, and restructuring of such a loan.

Section 6. The Redevelopment Agency of the County is authorized to make technical amendments to said agreements and documents with approval of Agency Counsel, which amendments are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices for making of such a loan, and with the staff report that accompanies this resolution.

Adopted by the Redevelopment Agency of the City of Sacramento on May 13, 2008 by the following vote:

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

Noes: None.

Abstain: None.

Absent: Councilmember Hammond.



Chair Heather Fargo

Attest:



Shirley Concofino, Secretary