RESOLUTION NO. 2008-340

Adopted by the Sacramento City Council

June 5, 2008

801 12th STREET ACQUISITION: AUTHORIZING PURCHASE AND SALE AGREEMENT WITH CRHMFA HOMEBUYERS FUND, FINANCING AGREEMENT WITH BANC OF AMERICA PUBLIC CAPITAL CORPORATION, CONTRACT WITH THE CURRENT PROPERTY SERVICE PROVIDERS, AND INTERIM LEASE-BACK AGREEMENT WITH CRHMFA HOMEBUYERS FUND, CONTRACT WITH BROKER, AND SOLICITATION AND AWARD OF CONTRACTS FOR TENANT AND PROPERTY IMPROVEMENTS, AND SUCH ADDITIONAL DOCUMENTS AND TO TAKE SUCH ADDITIONAL ACTIONS AS NECESSARY TO IMPLEMENT THE AUTHORIZED CONTRACTS AND THIS RESOLUTION.

BACKGROUND

A. The Sacramento Housing and Redevelopment Agency (Agency) currently occupies several buildings as offices.

B. To address the needs to relocate some offices located in obsolete buildings and to consolidate office staff, the Agency searched for a building that would provide adequate office space and which would meet the following goals.

- Provides an adequate facility for all current employees and for anticipated growth.
- Creates a fiscally prudent investment for the long-term since the building will be owned rather than leased.
- Provides convenient and ready access to elected officials and City and County management and staff.
- Conveniently locates functions near public transportation and adequate parking.

C. After review of multiple locations, 801 12th Street in the City of Sacramento ("Property") has been determined to be the best and most cost effective choice and terms for the purchase of the Property have been reached.

D. The proposed acquisition of an existing building is not a project under the California Environmental Quality Act ("CEQA") in that the acquisition of a building to continue in its present use without expansion has no direct or reasonably foreseeable indirect physical change in the environment pursuant to Public Resources Code Section 20165 and CEQA Guidelines Section 15378, and to the extent that tenant improvements and minor systems updates and refurbishment are to be done to the acquired property, such activity is exempt from further review pursuant to CEQA Guidelines Section 15301 as the operation, repair, maintenance, or minor alteration of an existing structure or facility without expanding uses. The action is excluded from review under the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal

Regulation Section 35(a)(1) as the acquisition, repair, improvement, reconstruction or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent.

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

Section 1. The foregoing findings are true and correct and hereby adopted.

Section 2. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute the Agreement of Purchase and Sale and Joint Escrow Instructions between the Agency and CRHMFA Homebuyers Fund, a California Joint Powers Authority, for real property at 801 12th Street, a copy of which is on file with the Agency Clerk.

Section 3. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute a lease purchase agreement with Banc of America Public Capital Corporation to obtain not more than Thirteen Million Dollars in financing and to execute the required ground and facilities lease, sublease, construction review and disbursement agreement and all other required documents and take all reasonably necessary actions to secure such financing for the Property acquisition and related activities approved in this resolution, all in a form approved by Agency Counsel.

Section 4. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute an interim contract with the current Property service providers for 801 12th Street, on their existing terms.

Section 5. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute a lease agreement with CRHMFA Homebuyers Fund once the Agency owns the property.

Section 6. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute a contract with the assisting broker for actions as necessary to carry out the foregoing transactions.

Section 7. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to solicit and award professional services contracts and to solicit and award to the lowest responsive and responsible bidder contracts for tenant and other improvements for the Property as necessary to make it ready for occupancy by the Agency, subject to available budget.

Section 8. The Executive Director, or designee, on behalf of the Agency and its constituent entities, is authorized to execute such additional documents and to take such additional actions as are reasonably necessary to implement this Resolution.

Adopted by the City of Sacramento City Council on June 5, 2008 by the following vote:

Ayes: Councilmembers Fong, Hammond, Pannell, Sheedy, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmembers Cohn, McCarty, and Tretheway.

Heather Fargo

Mayor Heather Fargo

Attest:

Shirley Concolino

Shirley Concolino, City Clerk