

## **RESOLUTION NO. 2008-039**

Adopted by the Redevelopment Agency  
of the City of Sacramento

June 5, 2008

### **AMENDMENT OF THE DISPOSITION AND DEVELOPMENT AGREEMENT FOR EBNER/ EMPIRE HOTEL REDEVELOPMENT PROJECT**

#### **BACKGROUND**

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Merged Downtown Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for the Merged Downtown Project Area ("Project Area").
- B. On February 14, 2006 the Agency approved a Disposition and Development Agreement (DDA) with Ebner/Empire, LLC for the reconstruction of the Ebner and Empire Hotels located at 116 and 118 K Street, Sacramento, CA.
- C. Section 6.4 of the DDA regarding disbursements of the Agency loans currently reads as follows: "Developer's equity, in the amount of \$1,000,000 (one million) shall be used first. The Agency will disburse its funds for Loan One on a 50/50 basis with the third party lender upon the completion or achievement of milestones as identified in the Schedule of Performances, attached hereto as Exhibit 4. The Agency will disburse its remaining Loan One funds and its Loan Two funds following all other funds being disbursed into the project, including Developer Equity and the third party loan."
- D. The cost of development in Old Sacramento has increased while the income properties expect to generate has not.
- E. In order to assist the project and provide interest savings, the Agency desires to disburse its funds on a 75/25 basis with the third party lender.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:**

- Section 1. After due consideration of the facts presented, section 6.4 of the Disposition and Development Agreement dated February 14, 2006 between the Redevelopment Agency and the Ebner/ Empire, LLC is amended to read: Developer's equity, in the amount of \$1,000,000 (one million) shall be used first. The Agency will disburse its funds for Loan One on a 75/25 basis with the third party lender upon the completion or achievement of milestones as identified in the Schedule of Performances, attached hereto as Exhibit 4. The Agency will disburse its Loan Two funds on the same 75/25 basis after disbursal of Loan One Funds per the Loan One Loan Agreement

Section 2. The City Manager, as the Agency's designee is authorized to execute any and all amended loan documents, subject to the approval as to form by Agency Counsel, necessary to change the loan disbursement term as defined in the amended DDA.

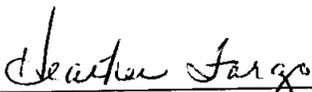
Adopted by the Redevelopment Agency of the City of Sacramento on June 5, 2008 by the following vote:

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

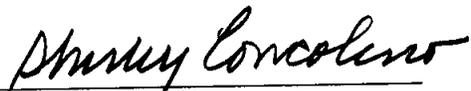
Noes: None.

Abstain: None.

Absent: Councilmembers Cohn, McCarty, and Tretheway.

  
\_\_\_\_\_  
Chair Heather Fargo

Attest:

  
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Shirley Concolino, Secretary