

## **RESOLUTION NO. 2008-042**

Adopted by the Redevelopment Agency  
of the City of Sacramento

June 10, 2008

### **ACCEPTING DISTRIBUTION OF REMAINING TWENTY-FIVE PERCENT OF THE NET PROCEEDS FROM THE SALE OF THE SHERATON GRAND HOTEL AND RELATED GARAGE; APPROVING A LOAN OF \$6,000,000 FROM THE PARKING FUND TO THE REDEVELOPMENT AGENCY FOR INVESTMENT INTO MERGED DOWNTOWN REDEVELOPMENT PROJECTS**

#### **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 March 25, 2008 the City Council approved the sale of the Sheraton Grand Hotel with 25 percent of the net proceeds to be distributed to Parking and the Redevelopment Agency for investment into income generating projects.
- C. Of the 25% of net proceeds, funds were envisioned to be distributed to the Parking Fund (Fund 412 / 6004) to replace the revenue lost with the sale of the Sheraton and subsequent termination of the long term Garage lease.
- D. The Agency desires to borrow \$6,000,000 from the Parking Fund (Fund 412 / 6004) to invest into redevelopment projects in the Merged Downtown Redevelopment Area and repay with 6 percent (6%) interest and annual payments as set out in the attached payment schedule.

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

- Section 1. After due consideration of the facts presented, the transfer of \$6,000,000 from the Parking Fund to the Agency is approved and the Interim Executive Director of the Agency is authorized to execute any and all agreements, subject to the approval as to form by Agency Counsel, necessary to ensure timely repayment to the Parking Fund (Fund 412 / 6004).

Section 2. The Agency budget is amended to receive the balance remaining from 25% of the net proceeds from the sale of the Sheraton Hotel/Garage minus the distribution to Parking and accepting the \$6,000,000 loan funds from the Parking Fund.

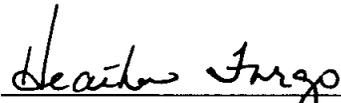
Adopted by the Redevelopment Agency of the City of Sacramento on June 10, 2008 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.

  
Chair Heather Fargo

Attest:

  
Shirley Concolino, Secretary