

RESOLUTION NO. 2008-060

Adopted by the Redevelopment Agency
of the City of Sacramento

August 7, 2008

7th AND H: AUTHORIZING PURCHASE OF PROPERTY FROM CITY OF SACRAMENTO AND ALLOCATING FUNDS FOR PURCHASE, CLOSING, HOLDING, HAZARD ABATEMENT AND DEMOLITION COSTS, AND AUTHORIZING RELEASE OF A REQUEST FOR QUALIFICATIONS TO DEVELOP THE SITE

BACKGROUND

- A. In September of 2006 the Redevelopment Agency adopted the Single Room Occupancy Preservation and Efficiency Apartment Replacement Action Plan, which calls for the Agency to develop 200 new efficiency apartments in the downtown redevelopment area within five years, in order to offset past and future losses of SRO housing.
- B. In September of 2006 the Redevelopment Agency adopted the Ten Year Plan to End Chronic Homelessness, calling for 1) development of 280 new permanent supportive housing units within five years; and 2) prevention of homelessness through the development of new apartments in the downtown redevelopment area.
- C. The City of Sacramento wishes to sell, and the Redevelopment Agency wishes to buy, three parcels: 716 - 7th St., 631 H St, and 625 H St - on the corner of 7th and H streets. The site has been used by the Police Department as a crime investigation laboratory and storage area. The Police Department has recently moved these functions to its new facility on Richards Blvd.
- D. Acquisition of the foregoing properties does not commit the Agency to proceed with any specific development project. California Environmental Quality Act ("CEQA") Guidelines Section 15004(b)(2)(A) allows for land acquisition where the Agency will conduct CEQA review once a proposed project has been defined when the acquisition does not limit the choice of alternatives or mitigation measures, and future development of the land is subject to CEQA compliance. Once the scope of development of the property has been defined, environmental review of the proposed project will be conducted. It is determined that the additional action proposed by this resolution is exempt from environmental review under the California Environmental Quality Act Guidelines Section 15301. Therefore, these actions are exempt from environmental review. The National Environmental Policy Act does not apply.
- E. Phase I and Phase II evaluations of the site have been conducted and minor diesel fuel contamination has been found in the soil. Consultants have recommended installation of monitoring wells around the site for a twelve-month period.

- F. The agreed acquisition price is \$3,000,000, and site analysis and cost estimates have found that the costs of closing, holding, asbestos abatement and demolition are likely to be approximately \$440,000.

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

- Section 1. All of the evidence presented having been duly considered, the findings, including the environmental findings, as stated above, are approved.
- Section 2. The Agency Budget is amended to transfer \$3,440,000 in Downtown Housing Tax Increment funds from the SRO Preservation and Replacement Fund to the 7th and H project.
- Section 3. Just compensation for 716 7th St. 631 H St. and 625 H St to be acquired is \$3,000,000, based on an appraisal dated February 26, 2007, discounted in consideration of the necessity for the Redevelopment Agency to install ground water monitoring wells and seek environmental clearance prior to developing the site.
- Section 4. The Interim Executive Director, or designee, is authorized to take all actions necessary to purchase the properties (APN 002-0141-002, 003, 004 & 007), award a contract to abate hazardous materials and to demolish the improvements.
- Section 5. The Interim Executive Director, or designee, is authorized to release a Request For Qualifications seeking a qualified development team for the 7th and H site.

Adopted by the Redevelopment Agency of the City of Sacramento on August 7, 2008 by the following vote:

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

Noes: Councilmember Hammond.

Abstain: None.

Absent: Councilmember McCarty.


Chair Heather Fargo

Attest:


Shirley Concolino, Secretary