

RESOLUTION NO. 2009-001

Adopted by the Redevelopment Agency
of the City of Sacramento

January 20, 2009

CREST THEATER OWNER PARTICIPATION AGREEMENT II (OPA) AND RELATED LOAN DOCUMENTS

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. The 1000 block of K Street, which is in the Merged Downtown Redevelopment Area, is undergoing significant redevelopment and investment.
- C. The Agency and The Briggs Family Group ("Owner") desire to enter into an Owner Participation Agreement (OPA), a copy of which is on file with the City and Agency Clerk, to provide Agency funds to assist with capital improvements and systems upgrades to the theater building as well as to complete the refurbishment of the marquee including installation of safety features, adding energy efficiency equipment, and painting the original historic colors with new fade resistant paints.
- D. The project completes the major 1994 renovation by improving the systems using updated and current technologies to ensure that the Crest can be utilized as a theater and entertainment venue into the future and ensures that the marquee remains a vibrant asset to the Project Area by; installing safety features that protect the marquee's resistance to the effects of wind and allow maintenance and repair to areas that are currently inaccessible, installing energy efficiency equipment, and painting the marquee in its original historic colors with new fade resistant paints.
- E. The Project will eliminate the following blighting influences: low or stagnant property values and impaired investment in the Project Area and high number of property vacancies, low rents as well as improve the appearance, lighting, and safety of this section of K Street.
- F. This project is consistent with the Amended Merged Downtown Redevelopment Plan and 2005 Merged Downtown Redevelopment Implementation Plan.

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

- Section 1. After due consideration of the facts presented, the findings, including but not limited to the environmental findings regarding this action, as stated in the staff report that accompanies this Resolution, are approved.
- Section 2. The Owner Participation Agreement with the Briggs Family Group is approved and the Executive Director, or her designee, is authorized to execute the OPA in substantially the same form which is on file with the Agency Clerk, for completion of rehabilitation priorities for the Crest Theater building.
- Section 3. The Agency Budget is hereby amended to transfer \$373,000 of Merged Downtown Redevelopment tax increment funds to the Crest Theater project and the Executive Director or her designee is authorized to allocate \$373,000 to the project to be used for the construction of capital improvements, installation of systems improvements, and completion of improvements to the marquee.
- Section 4. The Executive Director, or her designee, is authorized to execute the Construction and Permanent Loan documents, in substantially the same form as is on file with the Agency Clerk, which add \$160,000 of the allocated \$373,000 to the existing principal balance of the Retail Loan of \$253,839 and create a new loan of \$413,839.
- Section 5. The Executive Director, or her designee, is authorized to terminate the existing Retail Loan upon execution of the new Capital Improvement Loan.
- Section 6. The Executive Director, or her designee, is authorized to execute the Forgivable Loan, in substantially the same form as is on file with the Agency Clerk, which provides \$213,000 to the project to purchase an additional five years of Scenic Easement of the Crest Theater marquee and to make structural, safety and aesthetic improvements.

Adopted by the Redevelopment Agency of the City of Sacramento on January 20, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters.

Noes: None.

Abstain: None.

Absent: Councilmember McCarty & Mayor Johnson.

Attest:



Shirley Concolino
Shirley Concolino, Secretary

Lauren Hammond
Vice Chair Lauren Hammond