



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO REDEVELOPMENT AGENCY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org**

4

Consent
January 27, 2009

Chair and Members of the Redevelopment Agency Board

Title: Owner Participation Agreement with Sacramento Neighborhood Housing Services for the Acquisition of Jay & Gee Market and Relocation Plan

Location/Council District: 4300 8th Avenue, Oak Park Redevelopment Area (Council District 5)

Recommendation: Adopt a **Redevelopment Agency Resolution** authorizing the Executive Director or her designee to: 1) execute an Owner Participation Agreement (OPA), loan agreements and related documents with Sacramento Neighborhood Housing Services to purchase 4300 8th Avenue, demolish the Jay & Gee market and construct an affordable single family residence; 2) amend the Sacramento Housing and Redevelopment Agency budget to allocate \$540,000 of Oak Park Redevelopment Area tax increment funds to the Jay & Gee Project and 3) approve the Relocation Plan for the existing residential unit.

Contact: Lisa Bates, Deputy Executive Director, 440-1316, Christine Weichert, Assistant Director, Housing and Community Development, 440-1353

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: Sacramento Neighborhood Housing Services (NeighborWorks), a non-profit developer based in Oak Park, desires to purchase and demolish the Jay & Gee Market building and construct a new single family home on the site. The home will be sold to a family earning 80 percent of the area median income. Traditionally, there has been a high concentration of problematic liquor stores in Oak Park and the community supports removing this business. A condition of the purchase agreement is that the seller must cancel the liquor license.

Owner Participation Agreement for the Acquisition of Jay & Gee Market

The site is located on the southeast corner of 43rd Street and 8th Avenue (Attachment 1), which is within the Oak Park Redevelopment area. The residential tenant currently occupying the one unit above the market will receive financial assistance for relocation. An independent third party relocation consultant has prepared a Relocation Assistance Plan to compensate the tenant for the relocation.

The total estimated cost of the project is \$800,000, requiring a \$540,000 forgivable loan using Oak Park tax increment funds.

Policy Considerations: The proposed action is consistent with the 2005-2009 Oak Park Redevelopment Implementation Plan by assisting developers to build new structures and invest in the area. This project is also consistent with the Oak Park Renaissance Community Master Plan recommendation of encouraging housing infill development and creating homes with detached garages.

Environmental Considerations:

California Environmental Quality Act (CEQA): The Sacramento Housing and Redevelopment Agency as the lead agency under the California Environmental Quality Act (CEQA) has determined that the project is categorically exempt under CEQA Guidelines Section 15303(a) which exempts demolition of a small commercial building, and Section 15301(l)(3), which exempts construction of a single family residence.

Sustainability Considerations: The Jay & Gee Project will achieve the following City of Sacramento Sustainability Master Plan goals:

- Reduce long commutes by providing a wide array of transportation and housing choices near jobs for a balanced, healthy City (*Urban Design, Land Use, Green Building and Transportation*);
- Establish and continuously improve “green” building standards for both residential and commercial development—new and remodeled (*Urban Design, Land Use, Green Building and Transportation*).

Other: The National Environmental Policy Act (NEPA) does not apply.

Owner Participation Agreement for the Acquisition of Jay & Gee Market

Committee/Commission Action: On November 12, 2008, the *Oak Park Redevelopment Advisory Committee (RAC)* voted in favor of the project and related actions. One RAC member supported the acquisition and demolition of the store, but was concerned about building a home given the current housing market. The votes were as follows:

AYES: Davis, Lackey, Johnson, Barnes, Meng, Shrewsbury, Rentz, Jones

NOES: Kivel

ABSTENTIONS: Abdullah

ABSENT: Corbett

On January 7, 2009, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Burruss, Gore, Fowler, Morgan, Shah, Stivers

NOES: Chan, Dean

ABSENT: Coriano, Otto

Rationale for Recommendation: The purchase and demolition of the liquor store will eliminate blight and permit the developer to bring a new affordable single family for-sale home to the community. The current business/property owner wants to sell and retire. Purchase of this property will provide a new home ownership opportunity in Oak Park.

Financial Considerations: This report recommends amending the Sacramento Housing and Redevelopment Agency budget to allocate \$540,000 of the Oak Park Redevelopment Area tax increment funds to this project. The OPA obligates the Agency to issue \$540,000 to assist with acquisition and demolition of the Jay & Gee Market and construction of an affordable three bedroom, two bathroom single family residence. The cost for relocation assistance of a residential tenant is included.

January 27, 2009

Owner Participation Agreement for the Acquisition of Jay & Gee Market

M/WBE Considerations: The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by:



LA SHELLE DOZIER
Executive Director

Recommendation Approved:

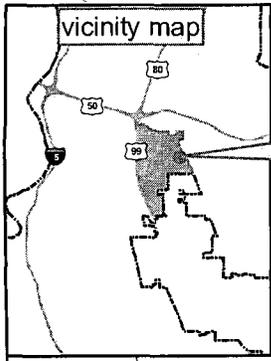
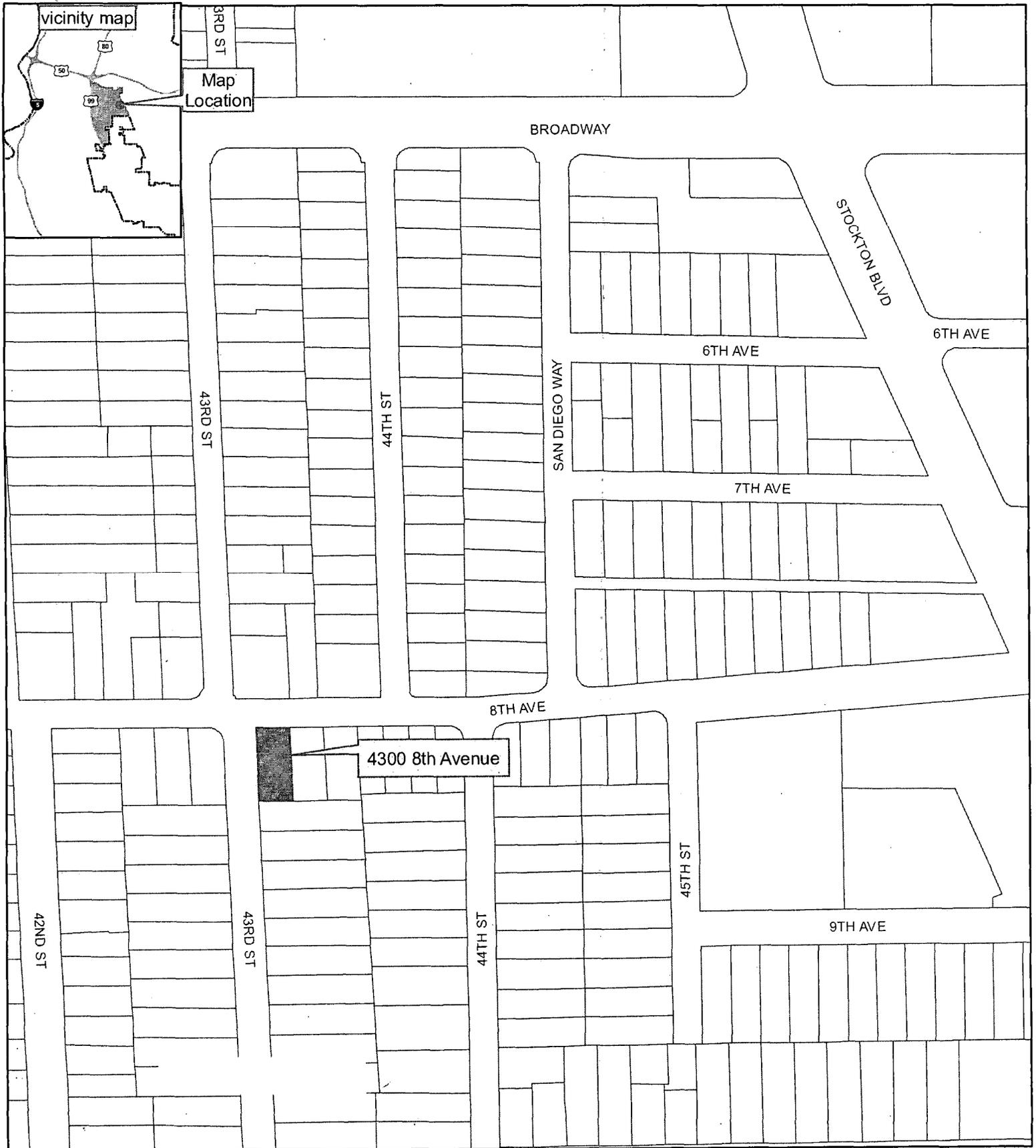

RAY KERRIDGE
City Manager

Table of Contents

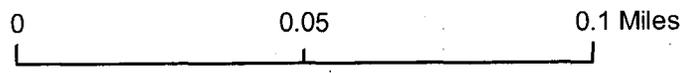
Report	pg. 1
Attachments	
1 Location Map	pg. 5
2 Elevations	pg. 6
3 Background	pg. 7
4 Redevelopment Agency Resolution	pg. 9
Exhibit A – Owner Participation Agreement	pg. 11
Exhibit B – Relocation Assistance Plan	pg. 37



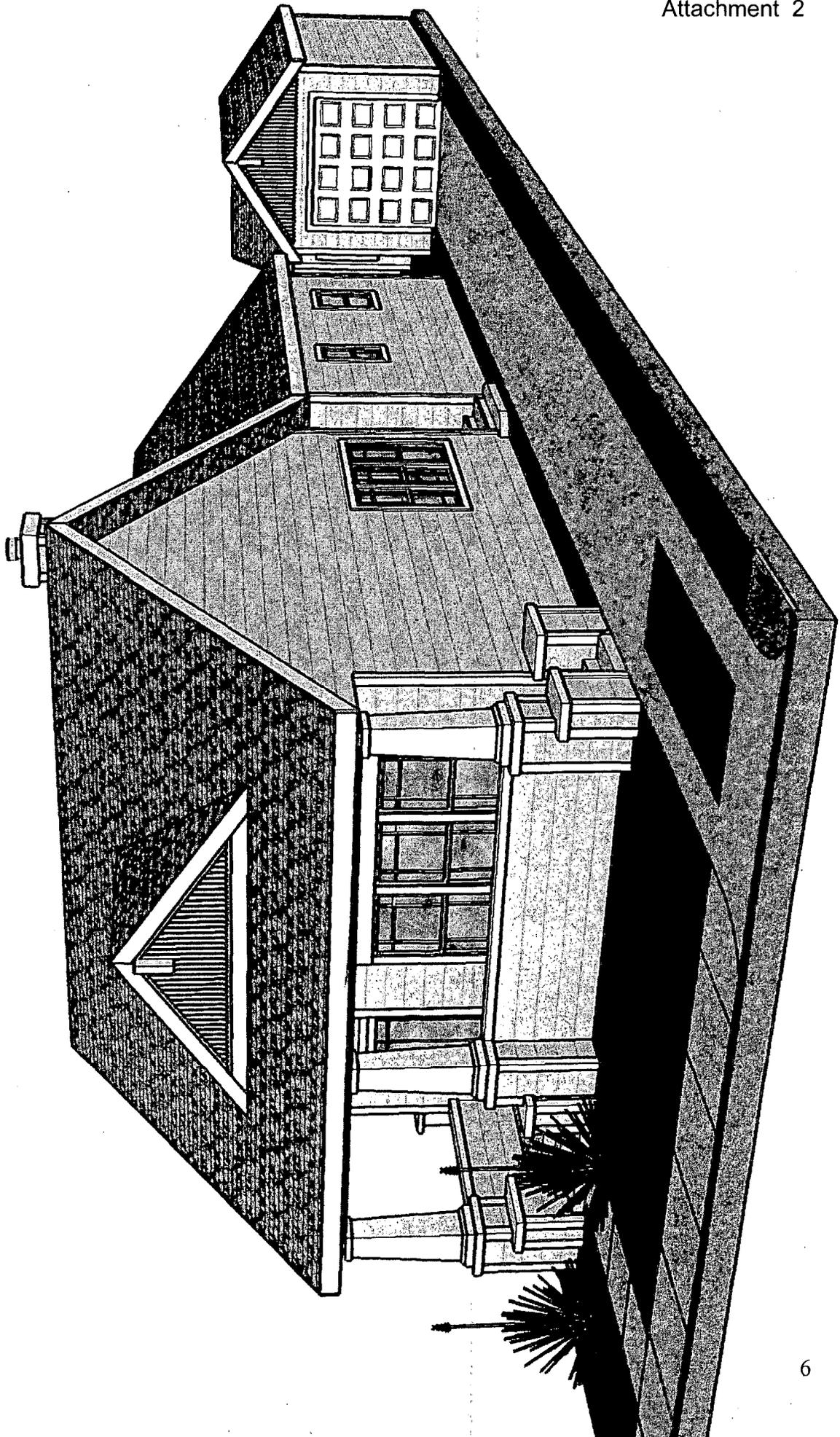
Jay & Gee Market Oak Park Redevelopment Area



Project Parcel



SHRA GIS
December 10, 2008



Background:

The site is located on the southeast corner of 43rd Street and 8th Avenue, and currently consists of a neighborhood market with a two bedroom upstairs unit. It is within the Oak Park Renaissance area, an older, established residential neighborhood located in Oak Park. The Oak Park Renaissance Community Master Plan encourages public improvements and infill housing development to revitalize the area.

In June 2007, the owner of the market/property voluntarily began negotiations with NeighborWorks for sale of the site. A purchase contract was signed on April 9, 2008. The purchase acquisition price includes the appraised value of the property plus a value for the business and the liquor license. The liquor license will be permanently surrendered. The owner, of the market/property, wishes to sell with the intent to retire. He has waived any assistance for relocation benefits. The residential tenant will receive financial assistance for relocation. An independent third party relocation consultant has prepared a Relocation Assistance Plan to compensate the tenant for this relocation.

The project will eliminate a negative influence and improve the owner-occupied supply of homes in the Oak Park Renaissance area. The design of the new home (Attachment 2) was favorably received by the community and was based on previously approved plans by the City of Sacramento. The developer will construct a new 1,408 square foot, three bedroom, two bathroom single family residence that will be affordable to a family earning 80 percent of area median income (currently \$56,800 for a family of four).

NeighborWorks investigated the rehabilitation costs and options prior to recommending demolition and new construction. In its current state, the structure needs major rehabilitation. Substantial plumbing, electrical, HVAC and subfloor work is necessary. The exterior siding, windows and outbuildings must be replaced. Finally, the building is too close to the street and would have to be raised and moved to match the existing setbacks of the block. Given the age and condition of the property, cost and time of rehabilitation, new construction is recommended.

The total cost for the project is estimated to be \$800,000. Based on appraised fair market values, \$480,000 is required for the acquisition of the property, business and liquor license. The other costs, based on independent estimates, include: \$45,000 for demolition and site maintenance; \$33,000 for inspections, fees, drawings and entitlements; \$160,000 for new construction of the residence and garage; \$35,000 for site work (landscape, patio, sidewalks, driveway, fence, etc.); \$29,000 for project contingency and \$18,000 for relocation of the residential tenant. Given that construction costs have decreased in recent months, if any cost savings are gained, the forgivable loan will be reduced accordingly.

January 27, 2009

Owner Participation Agreement for the Acquisition of Jay & Gee Market

Developer:

NeighborWorks has been active in Sacramento since 1987. The non-profit developer is based in Oak Park, but serves all of Sacramento City and County. The mission of NeighborWorks is "to provide opportunities for successful homeownership and strong communities through quality education, affordable lending, supportive partnerships and dedicated leadership." The developer will inject \$260,000 of previously awarded Community Development Block Grant revolving loan funds into the project.

RESOLUTION NO. 2009 –

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

APPROVAL OF AN OWNER PARTICIPATION AGREEMENT (OPA) TO LOAN AN AMOUNT NOT TO EXCEED \$540,000 TO SACRAMENTO NEIGHBORHOOD HOUSING SERVICES TO ACQUIRE AND DEMOLISH 4300 - 8TH AVENUE, RELOCATE RESIDENTIAL TENANT AND CONSTRUCT AFFORDABLE SINGLE FAMILY RESIDENCE

BACKGROUND

- A. The site consists of one parcel and is located on the southeast corner of 8th Avenue and 43rd Street.
- B. Sacramento Neighborhood Housing Services will purchase 4300 - 8th Avenue, Sacramento (APN#: 014-0221-001), demolish the existing Jay & Gee Market and construct an affordable single family residence.
- C. Developer approached the Redevelopment Agency of the City of Sacramento for a loan of \$540,000 in order to assist with purchasing and demolishing a liquor store. There is one resident upstairs on site that will be provided relocation assistance not to exceed \$18,225.
- D. The Project will eliminate blighting conditions and is consistent with the Oak Park Redevelopment Plan and Implementation Plan goals of providing affordable home ownership and improving the neighborhood environment and image in the project area.

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

- Section 1. All evidence presented having been duly considered, the findings, as stated above, are approved. Furthermore, the actions contemplated by this resolution are exempt under CEQA pursuant to Guidelines 15303(a) and 15301(l)(3).
- Section 2. The Agency Budget is hereby amended to transfer \$540,000 from Oak Park Tax Increment to the Jay & Gee Project.
- Section 3. The Executive Director, or her designee, is authorized to execute the OPA and the Loan Agreement and all related documents, subject to approval as to form by Agency counsel, and to take all actions to implement the OPA.

January 27, 2009

Owner Participation Agreement for the Acquisition of Jay & Gee Market

Section 4. The Relocation Assistance Plan for the residential tenant is approved.

Table of Contents

Exhibit A – Owner Participation Agreement

Exhibit B – Relocation Assistance Plan

OWNER PARTICIPATION AGREEMENT
Using Funds from the Oak Park Project Area Tax Increment
Oak Park Jay & Gee Market
4300 8th Avenue, Sacramento, CA 95817

Redevelopment Agency of the City of Sacramento
and
Sacramento Neighborhood Housing Services dba
NeighborWorks HOC Sacramento Region

OWNER PARTICIPATION AGREEMENT
Using Funds from Oak Park Project Area Tax Increment
Oak Park Jay & Gee Market
4300 8th Avenue, Sacramento, CA 95817

For purposes of this Agreement, the capitalized terms shall have the meanings assigned in Section 14.

THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, and SACRAMENTO NEIGHBORHOOD HOUSING SERVICES DBA NEIGHBORWORKS HOC SACRAMENTO REGION also defined as Agency and Developer, respectively, enter into this Owner Participation Agreement, also defined OPA, as of _____.

RECITALS

- A. Developer is in contract to purchase the real property located at 4300 8th Avenue, Sacramento, CA 95817, in the City of Sacramento, California, more particularly described in attached Exhibit 1: Legal Description, which is incorporated into this OPA by this reference. The Property is located in Oak Park Redevelopment Project Redevelopment Project Area and is subject to the Project Area's Redevelopment Plan.
- B. This OPA is made in accordance with provisions of the Redevelopment Plan for participation by property owners in redevelopment of the project area (adopted in accordance with California Health & Safety Code Section 33339).
- C. The Agency is participating in this OPA because this OPA is consistent with, and furthers, the Redevelopment Plan and the Implementation Plan. Specifically and without limitation, the Agency has determined that the Project will both increase and improve supply of low- or moderate-income housing in the community and it will eliminate physical, social and economic blighting conditions.
- D. In order to accomplish such Agency goals and purpose, the OPA provides that the Developer will redevelop the Property in the manner and for the uses described in this OPA. Therefore, Developer desires to develop the Property, and Agency desires to assist development of the Property, on the terms and conditions in this OPA.

AGREEMENT

NOW THEREFORE, in consideration of the following mutual covenants, obligations and agreements and for other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

1. **PROJECT DESCRIPTION.** The Project being assisted with the Agency Funding is the following: acquisition of a liquor store, demolition, and construction of a single family detached home.

1.1. **DEVELOPER'S POWER TO HAVE THE FORGIVABLE LOAN FORGIVEN.** Developer shall have the sole power to have the forgivable loan in the amount of the Loan for the acquisition of the property and the construction of a single family home forgiven in whole or in part. This loan shall be forgiven upon Agency verification of close of escrow for a sale to a qualified owner occupied buyer at an affordable price based upon an income of 80% Area Median Income (AMI).

2. **AGENCY FUNDING.** Agency is providing funding to the Project under the Agency Funding Agreement for development of the Project as described in Section 1. As a condition of Agency's obligation to provide the Agency Funding and in consideration of the Agency Funding, Agency is purchasing from Developer, and Developer is selling to Agency, an operating covenant to assure the operation of the Project as described in Section 1, as well as other obligations and restrictions, including without limitation, use restrictions and restrictions on amounts that can be charged on sale or rental of the Property, as evidenced by the Regulatory Agreement.

3. **PREPARATION AND APPROVAL OF PLANS AND RELATED DOCUMENTS.** This OPA is a financing document of the Agency and not a land use or planning document. Approval of the Project under this OPA by the Agency is not and shall not be considered an approval of land use entitlements or structural design of the Project, or the aesthetic design of the Project except as an approval by the Agency of the Project design concept as presented in this OPA. Developer shall comply with all applicable land use, planning and design laws, rules and regulations of each governmental agency acting in proper exercise of their respective jurisdictions, including without limitation, departments, staff, boards and commissions of the City. The Agency shall have the right, but not the obligation, to review Plans to assure their conformity with the provisions of this OPA and approvals given under this OPA. Based upon such review, the Agency shall have the right to approve or reject the Plans for reasonable cause. Agency's right of review includes, without limitation, the right to review architectural and engineering plans and specifications, off-site plans and specifications, and landscaping designs and specifications. Agency's approval of Plans is not an assurance of their adequacy or correctness. Agency has reserved approval rights solely: (a) to assure that the Plans further the Redevelopment Plan; (b) to assure that the Final Plans conform to the Preliminary Plans; and (c) to assure that any Agency funds which may be obligated under this OPA are used as intended by the Agency.

3.1. **CONCURRENT REVIEW.** Agency agrees that its review of the Final Plans shall occur prior to or concurrently with City's review of such plans, so as not to delay the commencement and progress of Project development. Agency agrees that its review of the Final Plans is strictly limited to making a determination that the Final Plans conform to the architectural designs (but not the detailed schematics, if any) presented in the Plans, the Scope of Development, the uses permitted on the Property and the Redevelopment Plan.

3.2. PRELIMINARY PLANS. Developer has provided Agency with Preliminary Plans, and the Agency has approved the Preliminary Plans concurrently with this OPA. The Agency has been induced to undertake its obligations under this OPA by Developer's promise to develop the Project in accordance with the Plans, the Scope of Development and the provisions of this OPA.

3.3. PREPARATION OF FINAL PLANS AND RELATED DOCUMENTS. Developer shall prepare the Final Plans that shall include all construction plans, drawings, specifications and other documents necessary to obtain all required building permits for the construction of the Project. Developer shall submit the Final Plans to the Agency for Agency's review. The Final Plans shall conform in all material respects to the Preliminary Plans and the Scope of Development. To the extent that the Preliminary Plans and Scope of Development have insufficient detail or are unclear, the Preliminary Plans shall be deemed to provide that the Project shall contain high-quality materials, and shall conform to all applicable zoning, design and usage guidelines. The Final Plans shall be considered to include all changes or corrections approved as provided in this OPA. The Final Plans shall incorporate all related mitigation measures required for compliance with CEQA approvals, as stated in the Mitigation Monitoring Plan, if any adopted under CEQA as a condition of approval of the Project. Developer agrees that it will comply with the requirements of the Design Review Board to the extent of its jurisdiction.

3.4. DELIVERY. Developer shall deliver the Final Plans or changes to the Final Plans for Agency review as soon as available. Said delivery shall be made to the office of the Redevelopment Agency at 630 I Street, Sacramento, CA 95814, and shall have clearly marked on its exterior "URGENT: Oak Park Jay & Gee Market PROJECT PLAN REVIEW" or the equivalent.

3.4.1. DEEMED APPROVAL. The Final Plans or changes to the Final Plans shall be deemed approved unless disapproved in whole or in part, in writing, within fifteen (15) days after their proper delivery to Agency.

3.4.2. AGENCY DISAPPROVAL. If Agency disapproves, in whole or in part, the Final Plans or any change to the Final Plans, Agency shall state, specifically and in writing, at the time of disapproval, the reasons for disapproval and the changes which the Agency requests to be made. Agency's reasons for disapproval and such Agency-requested changes shall be consistent with the Preliminary Plans, the Approved Final Plans, the Scope of Development and with any items previously approved under this Section 3. If the Agency rejects the proposed Final Plans, Developer shall obtain no rights to develop the Property under this OPA and Agency shall have no obligations regarding the Project until such time as Developer has modified the proposed Final Plans and received the Agency's approval of the Final Plans as modified.

3.5. GOVERNMENTAL CHANGES. If any revisions or corrections of the Final Plans shall be required by any government official, agency, department or bureau in exercise of its proper jurisdiction, the Developer shall inform the Agency. If Agency and Developer concur in writing with the required change, Developer shall incorporate the change and it shall be deemed approved by Agency. If Agency or Developer reasonably disagree with the required change,

they shall reasonably cooperate with the agency requiring the change in efforts to develop a mutually acceptable alternative.

3.6. APPROVAL OF SUBSTANTIAL CHANGES TO FINAL PLAN. If the Developer desires to make any substantial changes in the Final Plans as approved by the Agency, the Developer shall submit such proposed changes, in writing, to the Agency for its approval. The Final Plans shall be construed to include any changes approved in the same manner as for approval of the original Final Plans. The Agency shall approve or disapprove the proposed change as soon as practicable. Nothing in this Section shall be construed to relieve Developer of its obligations under all applicable laws regarding such changes.

3.6.1. SUBSTANTIAL CHANGE. A substantial change in the Final Plans shall include, without limitation, the following changes, excluding those items generally considered to be tenant improvements. For purposes of this Section 3.6.1, a “material change” is a change that is material to the Agency in accomplishing its purposes under this OPA.

- a) Material changes in the layout, elevation design, square footage.
- b) Material changes in use of exterior finishing materials substantially affecting architectural appearance or functional use and operation.
- c) Material changes in site development items for the Property that are specified in the Final Plans.
- d) Any changes requiring approval of any city, county or state board, body, commission or officer, or any change required by any city, county or state board, body, commission or officer.
- e) Any change which would preclude or materially reduce the ability to use the Project as intended by this OPA.

3.6.2. MISREPRESENTATION. If the Agency’s approval of the Final Plans is reasonably based upon a material misrepresentation to Agency by Developer or by anyone on Developer’s behalf, the Agency may, within a reasonable time after discovery of the misrepresentation, take any action permitted by law with regard to any such misrepresentation, notwithstanding Agency’s prior approval, including without limitation, rescission of the approval or such other equitable remedies as may then be appropriate to such rescission.

4. DEVELOPMENT PROVISIONS. As stated in detail in this Section 4, Developer shall construct and manage the Project according to the requirements established in this OPA, which includes, without limitation, the Scope of Development, the Schedule of Performances and the Plans. Developer shall promptly begin, diligently prosecute and timely complete the construction of the Project. In interpreting the provisions of this OPA, the provisions that specifically enforce the Redevelopment Plan and the applicable provisions of the Community Redevelopment Law shall control.

4.1. CONSTRUCTION CONTRACTS. Developer shall submit to Agency the construction contract for the Project. Agency's review of the construction contract shall be only for determining its compliance with this OPA. If the cost of construction of the Project or any part of the Project exceeds the costs projected by Developer, Developer shall, nevertheless, bear the responsibility to complete, at Developer's cost, the construction of the Project in accordance with this OPA.

4.2. GOVERNMENTAL REVIEW PROCESS. Notwithstanding any other provision of this OPA, Developer is subject to all building, planning, design and other plan review requirements that are otherwise applicable to the project, including without limitation those of the City of Sacramento. To assure proper review by the City, Developer shall, within thirty (30) days of the date of this OPA, make an initial deposit toward "plan check fees" with the City's Planning Department. In addition, Developer shall, as applicable, take designs before the Design Review/Preservation Board or its appropriate subcommittee for comment as soon as practicable. Conditions to the project imposed by the City shall be considered obligations of the Developer under this OPA. If a dispute with City staff arises regarding such City conditions, Developer shall accept the decision of the City's Planning Commission interpreting, imposing and enforcing such City conditions, subject to any applicable appeals process of the Planning Commission.

4.3. SUBSTANTIAL CHANGES. Developer covenants and agrees that Developer shall not make or permit to be made any construction of the Project which incorporates a substantial change in the Final Plans, as described in Section 3.6, without Agency approval of such changes as provided in Section 3.6.

4.4. LOCAL, STATE AND FEDERAL LAWS. The Developer shall assure that the construction of the Project is carried out in conformity with all applicable laws and regulations, including all applicable federal and state labor standards. Developer acknowledges and agrees that all wage and hour laws and other labor laws as applicable, including without limitation prevailing wage requirements, are the sole responsibility of Developer and Developer's contractors and subcontractors. Developer and its contractors and subcontractors have undertaken to ascertain the applicability of such laws prior to preparation of the final Project budget and have included the costs arising from such laws in the final Project budget. Developer shall keep, or cause to be kept, all records and make all payments, of any kind, that may be required for compliance with said laws and regulations. Before commencement of construction or development of any buildings, structures or other work of improvement upon the Property, Developer shall at its own expense secure any and all certifications and permits which may be required by any governmental agency having jurisdiction over such construction, development or work. Developer shall permit only persons or entities which are duly licensed in the State of California, County of Sacramento and City of Sacramento, as applicable, to perform work on or for the Project.

4.5. PREVAILING WAGES. In accordance with Labor Code Section 1720(c)(6)(E)), so long as the public subsidy for the Project consists of below market rate loans, and the Project restricts occupancy on at least 40% of the units for at least 20 years to individuals or families earning no more than 80% of the area median income, the Project is not subject to prevailing wages. Developer represents to the Agency that Developer has obtained no public subsidy for the

Project that does not meet such criteria. If Developer obtains another non-qualifying public subsidy, Developer shall pay prevailing wages for the Project. Therefore, Developer indemnifies, holds harmless and defends the Agency from all additional wages, benefits, fees, penalties, fines, legal fees, court costs, arbitration costs, and other costs arising from the improper application of California prevailing wage laws to the Project by Developer or Contractor or both of them. The State of California Department of Industrial Relations has undertaken the aggressive and expansive enforcement of prevailing wage laws for redevelopment projects. The Agency has advised, and the Developer acknowledges, that the Project is subject to the payment of prevailing wages under the laws of the State of California. Developer has had the opportunity to meet with Developer's legal counsel and to request a determination from the State of California Department of Industrial Relations regarding the applicability of prevailing wage requirements to this Project. Developer has made its independent determination of the applicability of prevailing wage laws and has independently implemented such determination. Developer, therefore, indemnifies, holds harmless and defends the Agency from all additional wages, benefits, fees, penalties, fines, legal fees, court costs, arbitration costs, and other costs arising from Developer's determinations and actions related to prevailing wage obligations for the work of this OPA.

4.6. PUBLIC SAFETY PROTECTIONS. Developer shall assure that all necessary steps are taken (including the erection of fences, barricades and warning devices) to protect private contractors and their employees and the public from the risk of injury arising out of the condition of the Property or Developer's activities in connection with the Property, including without limitation, fire, or the failure, collapse or deterioration of any improvements or buildings.

4.7. NONDISCRIMINATION IN CONTRACTING AND EMPLOYMENT. Developer for itself, any project manager, the Contractor, and the property manager engaged in connection with the Project or Property, and their respective successors and assigns, agrees that the following provisions shall apply to, and be contained in all contracts and sub-contracts for the construction of the Project.

4.7.1. EMPLOYMENT. Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, marital status, creed or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, sex, marital status, national origin, ancestry, familial status, or disability. Such action shall include, but not limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.

4.7.2. ADVERTISING. Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, creed, sex, marital status, national origin, ancestry, familial status, or disability.

4.8. **PUBLIC IMPROVEMENTS.** Developer shall, at Developer's expense as a Project cost, undertake and complete any modification, construction, relocation or improvement of public facilities, improvements and utilities for the development of the Property.

4.9. **AGENCY ACCESS TO THE PROPERTY.** Developer shall permit Agency representatives access, without charge, to the entire Property at any time and for any purpose which Agency reasonably considers necessary to carry out its obligations and protect its interests under the OPA. Purposes for Agency entry may include, without limitation, inspection of all work being performed in connection with the construction of the Project.

4.10. **PROJECT SIGN.** If Developer places a sign on the Property during construction stating the names of the Project participants, it shall also name "Sacramento Housing and Redevelopment Agency" as a participant in the Project. The Agency name on the sign shall be in letters not less than size of letters used to name any of the other participants.

4.11. **CERTIFICATE OF COMPLETION.** After the Agency has determined that Developer has completed the construction of the Project in accordance with the Final Plans and Developer's obligations under this OPA, the Agency will furnish the Developer with a "Certificate of Completion" certifying such completion. Such certification shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the OPA with respect to the obligations of the Developer to construct the Project as of the Completion Date, subject to any qualifications or limitations stated in such certification. Agency shall prepare and execute each Certificate of Completion in a form suitable for recording in the Official Records of Sacramento County.

4.11.1. Such certification and such determination shall not constitute evidence of compliance with any governmental requirements regarding the Project other than those of Agency or satisfaction of any obligation of the Developer to any holder of a mortgage, or any insurer of a mortgage, securing money loaned to finance all or any part of the Project. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any provision of this OPA that is not related to construction of the Project.

4.11.2. If the Agency fails to provide a Certificate of Completion within fifteen (15) days after written request by Developer, the Agency shall, within an additional fifteen (15) days after a second written request by the Developer, provide the Developer with a written statement, indicating in adequate detail in what respects the Developer has failed to complete the Project in accordance with the provisions of the OPA, or is otherwise in default, and what measure or acts it will be necessary, in the opinion of the Agency, for the Developer to take or perform in order to obtain such certification.

4.12. **REPORTS.** During the period of construction, the Developer shall submit to the Agency a written report of the progress of the work as and when reasonably requested by the Agency, but not more often than once each month.

4.13. **NOTIFICATION OF GENERAL CONTRACTORS, ARCHITECTS AND ENGINEERS.** Developer shall assure that the respective parties through the Project Documents have the

responsibility of notifying the Project contractors, architects and engineers for the Project of the requirements of this OPA. Developer shall include, where applicable, the provisions of this OPA in construction contracts and subcontracts for the Project, and Developer shall undertake the enforcement of such provisions.

4.14. PROPERTY CONDITION. Except as provided in this OPA, if the condition of the Property is not in all respects entirely suitable for the use or uses to which the Property will be put, it is the sole responsibility and obligation of the Developer to take such reasonable actions as may be necessary to place the condition of the Property in a condition which is entirely suitable for its development in accordance with the construction plans and drawings approved by Agency.

4.15. ZONING OF THE PROPERTY. Agency exercises no authority with regard to zoning of the Property. Developer shall assure that zoning of the Property at the time of development shall be such as to permit the development and construction, use, operation and maintenance of the Project in accordance with the provisions of this OPA.

4.16. NO WORK PRIOR TO CLOSE OF ESCROW. Prior to Close of Escrow, Developer shall not commence any work or take any action that might be construed as commencement of the work of the Project for establishment of mechanic's lien rights.

4.17. ADDITIONAL PROJECT PROVISIONS. The home, once completely must be sold at an affordable rate to an owner-occupant at an 80% AMI.

5. DEVELOPMENT FINANCING. Developer shall be responsible for and shall pay all costs of developing the Project except as otherwise provided in this OPA. As a condition precedent to Agency's obligation to provide the Agency Funding, Developer shall provide the Agency with a complete and firm Project budget including all proposed sources and uses of funds, all "hard" and "soft" costs and contingencies and reflecting, as possible, firm bids or accepted contracts and with evidence of sufficient funds to meet all budget requirements. To the extent that funds specified in this OPA for the Project are insufficient to fully fund the Project, the Developer shall provide evidence, satisfactory to the Agency, of the additional required construction and permanent financing. Except as expressly provided in this OPA, no party shall have the right of reimbursement for any funds expended by them for the Project. Agency is not obligated by this OPA or otherwise to make any contribution beyond its obligations stated in this OPA.

5.1. EVIDENCE OF AVAILABLE FUNDS. Unless otherwise approved by the Agency, Developer's evidence of available funds must include only the following: (a) Developer equity (as provided in Section 5.3); (b) firm and binding loan commitments (as provided in Section 5.2) from each Lender, in form and content acceptable to Agency; and (c) Agency contribution, if any, as specified in this OPA. Within ten (10) days after Agency's request, Developer shall provide all additional information requested by the Agency for evaluation of the actual availability of funds included in such evidence, including without limitation, requests for clarification, further evidence or audited financial reports.

5.2. COMMITMENT AND LOAN REQUIREMENTS. As a material obligation under this OPA, Developer shall assure that the loan documents for the Project are consistent with the Lender's commitment approved by the Agency and comply, in all respects, with this OPA. The Agency may reject a loan commitment unless such commitment: (a) is subject only to Lender's reasonable conditions of title and Developer's execution of standard loan documents (copies of which have been previously provided to and approved by the Agency); (b) contains only usual, customary, and commercially reasonable loan terms; (c) continues in effect until a time when subject financing is reasonably expected to be required; and (d) for construction financing, provides for an Agency Funding term not less than that specified in the Schedule of Performances for completion of construction and any additional time necessary to fulfill all conditions precedent to funding of permanent financing. The Agency may also reject any commitment if it is based upon sources and uses of Project funds that are different from those approved by Agency for the Project. The Agency may also reject any commitment that requires changes to the Project which conflict with this OPA, that requires amendment of this OPA or that requires the Agency to enter into agreements with any Lender, guarantor, equity partner or any other third-party.

5.3. EVIDENCE OF DEVELOPER EQUITY. Unless otherwise agreed in writing by the Agency, Developer may provide evidence of equity by any one or more of the following actions: (a) a deposit of the required equity in a joint account with the Agency, which funds shall be released only upon the joint signatures of the Agency and the Developer; (b) delivery to Agency of an unconditional, irrevocable letter of credit in the amount of the required equity, in form and content as provided by the Agency, which letter of credit shall provide that the Agency may draw to fulfill any Developer obligation related to the development of the Project and necessary to assure its timely and proper completion; or (c) Developer's provision of financial statements prepared by a certified public accountant that show liquid assets available to the Project (and not subject to other existing or contingent claims) in the amount of One Hundred and Fifty Percent (150%) of the amount of the required equity. Developer shall not provide evidence of equity that includes funds not available at the commencement of construction or that claims as equity any funds to be generated by development of the Project, including without limitation, anticipated Developer profit or fees or Developer contribution of services to the Project. The Agency may reject any submitted evidence of equity if the Agency has any reason to believe that such funds may not be available to the Project.

6. USE COVENANTS. Developer shall own and manage the Property in accordance with the provisions of this OPA.

7. NONDISCRIMINATION. Developer covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, that Developer shall not cause and shall not permit discrimination on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code in the sale, lease, or rental or in the use or occupancy of the Property. Owner covenants by and for himself, his heirs, executors, administrators, and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation with reference to the selection, location, number, use or occupancy of tenants,

lessees, subtenants, sublessees, or vendees in the Property. This covenant against discrimination shall continue in perpetuity.

7.1. REGULATORY AGREEMENT. Developer covenants by and for itself, its heirs, executors, administrators, and all persons claiming under or through it, that the Property shall be used strictly in accordance with the provisions of the Regulatory Agreement.

8. INDEMNIFICATION. Developer shall indemnify, protect, defend and hold harmless Agency, its officers, directors, commission members, employees, advisory committee members, and agents from any and all liability from bodily injury, death and property damage caused by or resulting from the acts or omissions of Developer, its officers, employees, agents or independent contractors and for any and all costs incurred by Agency in defending against such liability claims, including attorney's fees, except for injury, death or property damage caused by the negligent act or willful misconduct of Agency.

Agency shall indemnify, protect, defend and hold Developer harmless from any and all liability from bodily injury, death and property damage caused by or resulting from the acts or omissions of Agency, its officers, commission members, employees, advisory committee members or agents and for any and all costs incurred by Developer in defending against such liability claims, including attorney's fees, except for injury, death or property damage caused by the negligent act or willful misconduct of Developer.

This indemnification provision shall survive the termination of this agreement.

9. INDEMNIFICATION FOR HAZARDOUS SUBSTANCES. Developer shall indemnify, protect and defend Agency, its respective officers, directors, commission members, employees, advisory committee members, and agents, and hold them harmless from any and all liability, costs, fees, penalties and claims related to: (a) the removal, discharge or release of Hazardous Substances on the Property after Developer has taken possession of the Property; or (b) the existence of Hazardous Substances on the Property, which were not on the Property prior to Developer's taking possession of the Property.

10. LIABILITY INSURANCE. With regard to this OPA, the Developer shall obtain and maintain, and require the contractor and subcontractors for the Project to obtain and maintain, such insurance as will protect them, respectively, from the following claims which may result from the operations of the Developer, any contractor, subcontractor or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable: (a) claims under workers' compensation benefit acts; (b) claims for damages because of bodily injury, occupational sickness or disease, or death of its employees; (c) claims for damages because of bodily injury, sickness or disease, or death of any person other than its employees; (d) claims for damages insured by usual personal injury liability coverage which are sustained (1) by any person as a result of an offense directly or indirectly related to the employment of such person by the Developer, or (2) by any other person; claims for damages, other than to the construction itself, because of injury to or destruction of tangible property, including resulting loss of use; (e) claims for damages because of bodily injury or death of any person or property damage arising

out of the ownership, maintenance or use of any motor vehicle; and (f) claims for contractual liability arising from the Developer's obligations under this OPA.

10.1. LIABILITY INSURANCE POLICY LIMITS. Developer shall assure that the insurance required by this Section shall be written with a deductible of not more than TWENTY-FIVE THOUSAND DOLLARS (\$25,000).

10.2. WORKER'S COMPENSATION. Worker's compensation coverage shall be written for the statutory limits as required by the California Labor Code (commencing with Section 3700, as it may, from time to time, be amended) and having an employer's liability of not less than \$1,000,000 or statutory limits, whichever are greater.

10.3. COMPREHENSIVE GENERAL LIABILITY. Commercial general liability coverage shall include premises-operations, independent contractor's protective, products and completed operation (for four years), broad form property damage, and contractual liability coverage (or such other substantially similar coverage as may be approved by Agency Counsel). Such insurance shall have limits of liability which are not less than \$2,000,000, each occurrence, for bodily injury coverage; \$2,000,000 aggregate, for products and completed operations coverage; \$1,000,000 each occurrence for property damage coverage, single limit and aggregate; and which is the same as the foregoing coverages.

10.4. COMPREHENSIVE AUTOMOBILE LIABILITY. Comprehensive automobile liability coverage for any vehicle used for, or in connection with, the Project (owned, nonowned, hired, leased) having limits of liability which are not less than \$1,000,000.

10.5. FIRE, HAZARD AND EXTENDED COVERAGE INSURANCE. For the duration of OPA, Developer shall obtain and maintain fire and hazard insurance to the full insurable value of the Property with endorsements of extended coverage, vandalism, and malicious mischief, and with such other endorsements and in such amounts as the Agency may reasonably require to protect the Project. In the event of damage to the Project and subject to the requirements of Lender, Developer shall use the proceeds of such insurance to reconstruct the Project and the public improvements.

10.6. INSURANCE PROVISIONS. Each policy of insurance required under this OPA shall be obtained from a provider licensed to do business in California and having a current Best's Insurance Guide rating, or such other equivalent rating, as may reasonably be approved by Agency's legal counsel. Each policy shall contain the following provisions as applicable:

10.6.1. ADDITIONAL INSURED. During the term of construction, Agency shall be additional insured on all insurance policies, except the fire and hazard insurance and the worker's compensation policy, unless otherwise approved by Agency's legal counsel in writing.

10.6.2. SINGLE PROJECT INSURANCE. It is the intent of the parties that the Project have available all the specified insurance coverages. Developer shall not provide insurance coverages that are considered in aggregate with other Projects which Developer or its contractor might have concurrently under construction. The Agency may at its discretion permit an aggregate policy if

and only if Developer or the respective contractor has fully disclosed to Agency other projects which will or may be considered in aggregate with the Project, and thereafter, Developer shall immediately inform Agency of the change in or addition to any such projects. Nevertheless, Agency may, at any time require that the insurance coverage be provided solely for the Project.

10.6.3. CANCELLATION. Each policy shall bear an endorsement precluding cancellation or termination of the policy or reduction in coverage unless the Agency has been given written notice of such intended action at least thirty (30) days prior to its effective date.

10.6.4. FAILURE TO MAINTAIN. If Developer fails to obtain or maintain, or cause to be obtained and maintained, any insurance required by this OPA, the Agency shall have the right to purchase the insurance on Developer's behalf, and Developer shall promptly reimburse the full cost of such insurance to the Agency. If Developer fails to reimburse the Agency for insurance, the amount of unpaid reimbursement shall bear interest, at the maximum rate permissible under the law, until paid.

10.6.5. BLANKET COVERAGE. Developer's obligation to carry insurance as required under this Section 10 may be satisfied by coverage under a "blanket" policy or policies of insurance (as the term is customarily used in the insurance industry); provided, however, that the Agency shall nevertheless be named as an additional insured under such blanket policy or policies to the extent required by this Section, the coverage afforded the Agency will not be reduced or diminished thereby, and all of the other requirements of this Section 10 with respect to such insurance shall otherwise be satisfied by such blanket policy.

DEFAULTS AND REMEDIES. Except as otherwise provided in the OPA, if either party defaults in its obligations under this OPA, the defaulting party shall immediately commence and diligently proceed to cure the default within thirty (30) days after written notice of default from the other party or, if reasonable, such longer time as is reasonably necessary to remedy such default if such default cannot reasonably be cured within thirty (30) days for reasons beyond the control of the defaulting party, provided that the defaulting party shall promptly begin and diligently pursue such cure to completion. If the defaulting party does not promptly begin and diligently cure the default within a reasonable time, the other party may institute proceedings to cure the default, including without limitation, proceedings to compel specific performance by the defaulting party. Subject to any extension of time permitted by this OPA, a failure or delay by a party to perform any term or provision of this OPA constitutes a default of this OPA. As a condition precedent to termination of the OPA under this Section, each party shall first tender the return of all property or funds received from or on behalf of the other party. After such return of property and funds and termination of the OPA, neither Agency nor Developer shall have any further rights against or liability to the other under the OPA except as expressly set forth in this OPA to the contrary.

10.7. OTHER RIGHTS AND REMEDIES. Upon the occurrence of any default, and the expiration of any applicable notice and cure period without a cure having occurred within the specified cure period, the non-defaulting party shall have the right to institute such actions as it may deem desirable to remedy a default of this OPA as allowed under this OPA, at law or in equity

10.8. NONLIABILITY OF AGENCY OFFICIALS AND EMPLOYEES. No member, official or employee of Agency shall be personally liable to Developer, or any successor in interest, in the event of any default or breach by Agency or for any amount which may become due to Developer or its successors, or on any obligations under the terms of this OPA.

10.9. ATTORNEY'S FEES AND RELATED COSTS. If an action is commenced between the parties, the prevailing party in that action shall be entitled to recover from the non-prevailing party all reasonable attorney fees and costs, witness fees, arbitrator's fees, and court and arbitration costs. The term "prevailing party" shall include without limitation, the party who receives performance from the other party for an alleged breach of contract or a desired remedy where the performance is substantially equal to the relief sought in an action; the party who receives any award for relief through arbitration; or the party determined to be the prevailing party by a court of law. In any event, the prevailing party shall mean the party receiving a judgment, ruling or award that is more favorable than the last firm offer of settlement made by such party. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law.

11. ENCUMBRANCE OF PROPERTY AND LENDER PROTECTIONS. Before issuance of a Certificate of Completion, the Developer may, upon written Agency approval, obtain a Loan and encumber the Property as security for the Loan, provided either that the proceeds of the Loan are used solely for construction of the Project improvements upon usual and customary and commercially reasonable terms or that the Loan is permanent project financing made upon usual and customary and commercially reasonable terms. After issuance of a Certificate of Completion, the Agency shall have no rights of approval regarding financing secured by the Property. As a condition to Agency's approval of a Loan, Developer shall provide the Agency with a conformed copy of all documents related to the Loan. Agency acknowledges that a Lender will rely upon this OPA in making the Loan and that Agency's obligations under this OPA are inducements to Lender's making of the Loan.

11.1. NOTICES. If the Agency gives any notice of default to Developer under this OPA, the Agency shall contemporaneously give a copy of such notice to each Lender who has requested such notice in the following form of request for notice at the address stated in the request for notice. Any such default notice that is not so delivered to Lender shall not be effective or binding with regard to Lender or otherwise affect Lender, but failure to deliver such default notice to Lender shall not affect its validity with respect to Developer. Lender shall use the following form for requesting notice:

[Date]

The undersigned, whose address for notices is stated immediately below its signature, does hereby certify that it is the Lender as such term is defined in that certain Owner Participation Agreement dated _____ between the Redevelopment Agency of the City of Sacramento and Sacramento Neighborhood Housing Services ("OPA"). Lender requests, in accordance with Section 11.1 of the OPA, that if any default notice shall be given to Developer under the OPA, a copy of such default notice shall be given to Lender.

[Lender Name and Address for Notice]

11.2. ASSIGNMENTS AND TRANSFERS OF THE LOAN. Agency shall not be bound to recognize any assignment of the Loan or related encumbrance of the Property unless and until Lender has given Agency written notice of the name and address of the assignee (and if more than one person is an assignee, the designated name and address for notices) and such assignee qualifies as a Lender under this OPA. Thereafter, such assignee shall be considered a Lender with respect to the Loan and the related encumbrance on the Property.

11.3. LENDER NOT OBLIGATED TO CONSTRUCT. Notwithstanding any of the provisions of the OPA, Lender shall not be obligated by the provisions of the OPA to construct or complete the Project. Nothing in this Section or any other provision of the OPA shall be construed to permit or authorize Lender to devote the Property to any uses, or to construct any improvements on the Property, other than those uses or improvements provided or permitted in the OPA.

11.4. LENDER'S OPTION TO CURE DEFAULTS. After any default of Developer's obligations under the OPA, each Lender shall have the right, at its option, to cure or remedy such default, within the time for cure allowed to Developer, and to add the cost of such cure to the debt and the lien secured by the Property. The Agency shall accept such performance as if it had been performed by Developer; provided, however, that such Lender shall not be subrogated to the rights of the Agency by undertaking such performance. If the breach or default relates to construction of the Project, however, Lender shall not undertake or continue the construction of the Project (beyond the extent necessary to conserve or protect Project or construction already made) unless Lender assumes, in writing satisfactory to the Agency, Developer's obligations to complete the Project on the Property in the manner provided in the OPA. Any Lender who properly completes the Project as provided in the OPA shall be entitled, upon written request made to the Agency, to Certificate of Completion from the Agency in a manner provided in the OPA. Such certification shall mean that any remedies or rights with respect to the Property that the Agency may have because of Developer's failure to cure any default with respect to the construction of the Project on other parts of the Property, or because of any other default of the OPA by the Developer shall not apply to the part of the Property to which such Certification relates. Nothing in this Section shall be deemed to limit, modify or release any claim or remedy that the Agency may have against the Developer for such default.

11.5. DEFAULT BY DEVELOPER. In the event of a default by Developer, Agency shall not terminate this OPA unless and until the Agency has given notice to Lender of such default, as provided in this Section 11.5 and Lender has failed to cure such default as provided in Section 11.5 provided, however that if such default cannot practicably be cured by the Lender without taking possession of the Property, then the Schedule of Performances (and, therefore, the Agency's right to terminate this OPA) shall be tolled if and so long as:

11.5.1. Lender has delivered to the Agency, prior to the date on which Agency is entitled to give notice of termination of this OPA, a written instrument satisfactory to Agency in which Lender or its designee unconditionally agrees that it will commence the cure of such default immediately upon Lender or its designee taking possession of the Property and will thereafter diligently pursue such cure to completion; provided, however, that neither the Lender nor its

designee shall be obligated to pay damages to the Agency on account of such default, except to the extent of any monies due and unpaid from Developer.

11.5.2. Lender or its designee has rights to obtain possession of the Property (including possession by receiver) through foreclosure, deed in lieu of foreclosure or otherwise, and Lender or its designee promptly commences and diligently proceeds to obtain possession of the Property, and if Lender is prevented by court action or by any statutory stay from prosecuting foreclosure proceedings, that Lender is diligently seeking relief from such action or stay; and

11.5.3. Upon receiving possession of the Property, Lender or its designee promptly commences and diligently proceeds to cure such default.

11.5.4. From and after the cure of such Developer default, Lender or its designee is not required to obtain possession or to continue in possession of the Property. Nothing in this Section shall preclude the Agency from exercising any of its rights or remedies with respect to Developer during any period of such forbearance.

11.6. **FORECLOSURE.** Foreclosure of any encumbrance securing the Loan, or any sale under such encumbrance, whether by judicial proceedings or by virtue of any power contained in such encumbrance, or any conveyance of the Property from the Owner to the Lender or its designee through, or in lieu of, foreclosure or other appropriate proceedings in the nature of foreclosure, shall not require the consent of the Agency. Upon such foreclosure, sale or conveyance, the Agency shall recognize the resulting purchaser or other transferee as the Developer under this OPA, provided that such purchaser or transferee expressly assumes each and every obligation of the Developer under this OPA (except for the obligation to pay damages except to the extent of any monies due and unpaid from Developer under this OPA) by assumption agreement satisfactory to the Agency. If any Lender or its designee acquires Developer's right, title and interest under this OPA as a result of a judicial or nonjudicial foreclosure under any power contained in such encumbrance, or any conveyance of the Property from the Owner to the Lender or its designee through, or in lieu of, foreclosure or other appropriate proceedings in the nature of foreclosure, such Lender or its designee shall have the right to assign or transfer Developer's right, title and interest under this OPA to an assignee; provided, however, that the assignee or transferee shall thereafter be subject to all of the terms and conditions of this OPA.

11.7. **MODIFICATIONS.** No modification or amendment to the OPA which materially and adversely affects the Lender's interest in the Property shall be valid and effective unless the Lender's written consent to such modification or amendment has first been obtained, which consent shall not be unreasonably withheld.

11.8. **FURTHER ASSURANCES TO LENDERS.** Agency and Developer shall in good faith consider making such reasonable modifications to this OPA and executing such further instruments and agreements between them as a Lender may reasonably request, provided such modifications, instruments and agreements do not materially, adversely affect any party's expectations or benefit, rights or obligations under this OPA and provided such modifications, instruments, and agreements serve a material economic purpose.

11.9. ESTOPPEL CERTIFICATE. Any party may, at any time, request in writing of any other party to certify in writing that, to the knowledge of the certifying party, (i) this OPA is in full force and effect and a binding obligation of the parties; (ii) this OPA has not been amended or modified either orally or in writing, or, if so amended, identifying the amendments; and (iii) the requesting party is not in default in the performance of its obligations under this OPA, or, if in default, describing the nature and extent of any such defaults. A party receiving such a request shall execute and return such certificate to the requesting party, or give a detailed written response explaining why it will not do so, within ten (10) days following its receipt. The City Manager (as Agency's designee) shall be authorized to execute any such certificate requested by Developer from the Agency.

11.10. PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER. In reliance on the financial capability and experience of Developer, substantial public financing and other public aids have been made available by law and by the federal and local governments to make development of the Property possible. Developer shall not, prior to issuance of a Certificate of Completion, assign Developer's interests or obligations under this OPA or undertake any act or transaction resulting in a significant change in the interests of the principals of Developer or the degree of their control of Developer without the prior written consent of Agency. The transfer or assignment, pursuant to this Section, requires the transferee or assignee to execute and deliver to Agency a valid, binding, written assumption of all obligations of Developer. Such a transfer as permitted in this Section 11 shall not relieve Developer, or any other party bound in any way by the OPA, from any of its obligations under the OPA. With respect to this provision, the Developer and the parties signing the OPA on behalf of the Developer represent that they have the authority of all of Developer's principals to agree to and bind them to this provision.

12. DOCUMENT INTERPRETATION. This OPA shall be interpreted in accordance with the following rules.

12.1. INTEGRATED DOCUMENTS; SEVERABILITY. This OPA and the documents incorporated in this OPA are to be considered as one document and default of any of them shall be considered a default of all of them. This OPA, including the incorporated documents, integrates all of the terms and conditions related or incidental to its subject matter, and supersedes all negotiations or previous agreements between the parties with respect to its subject matter. If any term or provision of this OPA shall, to any extent, be held invalid or unenforceable, the remainder of this OPA shall remain in full force and effect and the invalid or unenforceable provision shall be valid and enforceable as to any other person or circumstance.

12.2. CONFLICTING PROVISIONS. If conflicts are discovered in provisions of this OPA and such incorporated documents, this OPA shall control with regard to plan review and construction terms, the Agency Funding Agreement shall control with regard to funding terms and the Regulatory Agreement shall control with regard to affordability restrictions. In any event, the conflicts shall be construed so as to meet the intent of this OPA.

12.3. WAIVERS AND AMENDMENTS. All waivers of the provisions of this OPA must be in writing and signed by Agency or Developer, as applicable, and all amendments to this OPA must be in writing and signed by Agency and Developer. Any delay by Agency in asserting any rights

under this Section shall not operate as a waiver of such rights or to deprive Agency of or limit such rights in any way. Any waiver in fact made by Agency with respect to any specific default by Developer under this Section shall not be considered as a waiver of the rights of Agency with respect to any other defaults by Developer under this Section or with respect to the particular default except to the extent specifically waived in writing.

12.4. CAPTIONS, GENDER AND NUMBER. The section headings, captions and arrangement of this OPA are for the convenience of the parties to this OPA. The section headings, captions and arrangement of this instrument do not in any way affect, limit, amplify or modify the terms and provisions of this OPA. The singular form shall include plural, and vice versa, and gender references shall be construed to include all genders.

12.5. DRAFTER. This OPA shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this OPA. All exhibits referred to in this OPA are attached to it and incorporated in it by this reference.

12.6. MERGER. All of the terms, provisions, representations, warranties, and covenants of the parties under this OPA shall survive the Close of Escrow and shall not be merged in the Grant Deed or other documents.

12.7. TIME FOR PERFORMANCE. In determining time for performance, it shall be construed that Agency and Developer shall each do the actions required of them, promptly and when specified in this OPA, and that each action specified in the Schedule of Performances shall be performed by the responsible party on or before the date scheduled for its completion.

12.8. GOVERNING LAW. This OPA shall be governed and construed in accordance with California law.

12.9. INSPECTION OF BOOKS AND RECORDS. Agency has the right, at all reasonable times, to inspect the books and records of Developer regarding the Property as reasonably necessary to carry out its purposes under this OPA.

12.10. OWNERSHIP OF DATA. If this OPA is terminated, for any reason, prior to the completion of the Project, Developer shall deliver to Agency any and all data acquired for development of the Property. Agency shall have full ownership and rights to use such data.

12.11. SUCCESSORS. This OPA shall inure to the benefit of and shall be binding upon the parties to this OPA and their respective heirs, successors, and assigns.

12.12. NO JOINT VENTURE, PARTNERSHIP, OR OTHER RELATIONSHIP. No Joint Venture, Partnership, or Other Relationship. Nothing contained in this Agreement or in any other document executed in connection with this Agreement shall be construed as creating a joint venture or partnership between Agency and Developer. Each Party is acting as an independent entity and not as an agent of the other in any respect. No relationship exists as between Agency

and Developer other than that of a governmental entity regulating the development of private property, and the owner of such private property.

13. **NOTICES.** All notices to be given under this OPA shall be in writing and sent to the following addresses by one or more of the following methods:

13.1. Addresses for notices are as follows:

13.1.1. Agency: Redevelopment Agency of the City of Sacramento, 630 I Street, Sacramento, California 95814, Attention: Robert Stitt.

13.1.2. Developer: Sacramento Neighborhood Housing Services, 2400 Alhambra Boulevard, Sacramento, CA 95817; Attention: Pam Canada.

13.2. Notices may be delivered by one of the following methods:

13.2.1. Certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail;

13.2.2. A nationally recognized overnight courier, by priority overnight service, in which case notice shall be deemed delivered one (1) business day after deposit with that courier;

13.2.3. Hand delivery with signed receipt for delivery from a person at the place of business of the receiving party and authorized to accept delivery for the receiving party, in which case notice shall be deemed delivered upon receipt, or

13.2.4. Telecopy, if a copy of the notice is also sent the same day by United States Certified Mail, in which case notice shall be deemed delivered one (1) business day after transmittal by telecopier, provided that a transmission report is automatically generated by the telecopier reflecting the accurate transmission of the notices to receiving party at the "Fax Number" given in the Escrow Attachment or to such other address as Developer or Agency may respectively designate by written notice to the other.

14. **DEFINITIONS.**

14.1. "Agency" is the Redevelopment Agency of the City of Sacramento. The Agency is a public body, corporate and politic, exercising governmental functions and powers, and organized and existing under the Community Redevelopment Law of the State of California. The principal office of the Agency is located at 630 I Street, Sacramento, California 95814. Agency as used in this OPA includes the Redevelopment Agency of the City of Sacramento and any assignee of or successor to its rights, powers, and responsibilities. The Sacramento Housing and Redevelopment Agency is a joint powers agency which provides staffing for the operation of the Agency.

14.2. "Agency Funding" is the funding provided by the Agency under this OPA to Developer for the Project.

14.3. "Agency Funding Agreement" is the Construction and Permanent Loan Agreement.

14.4. "Certificate of Completion" is the certificate issued by the Agency certifying Developer's completion of the construction of the Project.

14.5. "CEQA" is the California Environmental Quality Act (commencing at Public Resources Code Section 21000), together with all rules and regulations promulgated under the statutes.

14.6. "City" is the City of Sacramento, a political subdivision of the State of California.

14.7. "Community Redevelopment Law" is the law governing redevelopment in the State of California and is found commencing at Health and Safety Code Section 33000.

14.8. "Completion Date" is the date on or before which Developer must complete the construction of the Project. The Complete Date for the Project is December 31, 2009.

14.9. "Construction Extension Fee" is the fee payable by Developer for each day by which the completion of construction is delayed beyond the date for completion of construction.

14.10. "Contractor" is the general contractor or contractors with whom Developer has contracted for the construction of the Project.

14.11. "Developer" is Sacramento Neighborhood Housing Services, nonprofit corporation. Notwithstanding any other provision of this OPA, Developer may assign this OPA to a single asset entity in which Developer has a substantial interest and is the managing member, the general partner or the controlling shareholder and chief operations officer; provided (i) that the entity form and organizational documents have been approved by Agency Counsel, (ii) that the new entity has agreed in writing to be bound by all the provisions of this OPA and all agreements related to this OPA, and (iii) that the entity has been approved in writing, in advance, by the Agency's Executive Director. The principal office of the Developer is located at 2400 Alhambra Boulevard, Sacramento, CA 95817.

14.12. "Escrow" is the escrow for the transactions contemplated by this OPA.

14.13. "Escrow Instructions" means the escrow instructions for the close of the Escrow.

14.14. "Final Plans" are the full and final plans, drawings and specifications for the Project as described in, and approved by the Agency under, Section 3, which shall include all construction plans, drawings, specifications and other documents required to obtain all required building permits for the construction of the Project. The Final Plans may refer, as the context may indicate, to partial Final Plans prepared and submitted in accordance with this OPA. The Final Plans shall incorporate any related mitigation measures that may be required for compliance with CEQA. The Final Plans shall specifically include changes or corrections of the Final Plans approved as provided in this OPA. The Final Plans shall include all landscaping, on-

and off-site work and artwork related to the Project. Except as approved by the Agency, the Final Plans shall conform in all material respects to all provisions of this OPA, including without limitation, the Preliminary Plans and the Scope of Development.

14.15. "Hazardous Substances" as used in this OPA shall include, without limitation to, all substances, wastes and materials designated or defined as hazardous or toxic pursuant to any of the following statutes, as they may be amended or superseded, from time to time: the Clean Water Act (33 U.S.C.1321 et. seq.); the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.); the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.); the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101); the Environmental Protection Agency list of hazardous materials (40 CFR Part 302) and California Health and Safety Code Sections 25115, 25117, 25122.7, 25140 (Hazardous Waste Control Law), 25316 (Carpenter-Presley-Tanner Hazardous Substances Account Act), 25501 (Hazardous Materials Release Response Final Plans and Inventory) and 25281 (Underground Storage of Hazardous Substances); all applicable local regulations; and all regulations and promulgations pursuant to said laws.

14.16. "Legal Description" is the legal description of the various parcels of real property affected by this OPA. The Legal Description is attached as **Exhibit 1 Legal Description**.

14.17. "Lender" shall include all holders of any lien or encumbrance as security for a loan on all or any part of the Property. Each lender shall be a federal or state chartered financial institution, a pension fund, an insurance company or such other lender which Agency may approve in writing in advance, which approval Agency may withhold in exercise of its reasonable discretion and in consideration of the commercially reasonable protection of its interests under this OPA.

14.18. "Loan" is the loan or loans obtained from third parties for the construction or permanent financing, or both, of the Project.

14.19. "OPA" is this Owner Participation Agreement between Agency and Developer, including all documents incorporated in this OPA by reference.

14.20. "Preliminary Plans" are the Project designs prepared by the Project architect, ***Architect name***, dated ***Preliminary Plan Date***, a portion of which (consisting of various elevations) is attached as **Exhibit 2 Preliminary Plans**. Agency has approved the Preliminary Plans concurrently with the approval of this OPA.

14.21. "Plans" shall mean either or both Preliminary Plans and Final Plans as the context may indicate.

14.22. "Project" is all of the work to be accomplished under this OPA.

14.23. "Project Area" is the Oak Park Redevelopment Project Area, as defined in the Redevelopment Plan.

14.24. "Redevelopment Plan" is the redevelopment plan for the Project Area (as it may be amended from time to time) for the Oak Park Redevelopment Project Area as duly adopted by the City Council and currently active in the City.

14.25. "Regulatory Agreement" is the agreement containing covenants, conditions and restrictions, including without limitation, use restrictions, that run with the Property as a condition of Agency Funding.

14.26. "Schedule of Performances" is the schedule that establishes the dates by which obligations of the parties under this OPA must be performed and conditions of the OPA must be satisfied. The Schedule of Performances is attached as **Exhibit 3: Schedule of Performances**.

14.27. "Scope of Development" is the detailed description of the work to be done under this OPA for the Project. The Scope of Development attached as **Exhibit 4: Scope of Development**.

14.28. "Property" is that real property to be developed under this OPA, as more particularly described in the Legal Description. The Property includes all improvements contained within the Property.

14.29. "Unavoidable Delay" is a delay in the performance by a party of any obligation which delay is unforeseeable and beyond the control of such party and without its fault or negligence. Unavoidable Delay shall include acts of God, acts of the public enemy, acts of the Federal Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, a general moratorium on financing for projects of the same type, and unusually severe weather (as for example, floods, tornadoes, or hurricanes) or delays of subcontractors due to such causes. In the event of the occurrence of any such enforced delay, the time or times for performance of such obligations of Agency and Developer shall be extended for the period of the enforced delay, as determined by Agency, provided that the party seeking the benefit of the provisions of this Section shall, within thirty (30) days after Developer has or should have knowledge of any such enforced delay, have first notified the other party, in writing, of the delay and its cause, and requested an extension for the period of the enforced delay.

THE PARTIES HAVE EXECUTED THIS OPA in Sacramento, California as of the date first written above.

DEVELOPER :
SACRAMENTO NEIGHBORHOOD HOUSING SERVICES

By: _____
Pam Canada
CEO

Approved as to form:

Developer Counsel

AGENCY: THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By: _____
LaShelle Dozier, Interim Executive Director

Approved as to form:

Agency Counsel

Exhibit 1: Legal Description

Lot 24, as shown on the "Plat of Rose Avenue Tract", according to the official Plat thereof, filed in the Office of the Recorder of Sacramento County, California on April 12, 1910 in Book 10 of Maps, Map no. 18, records of said county.

APN: 014-0221-001

Exhibit 2: Preliminary Plans

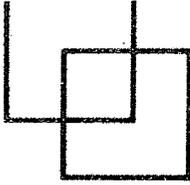
Exhibit 3: Schedule of Performances

<u>Action Item</u>	<u>Date (No Later Than)</u>
Redevelopment Agency Approval of OPA	January 28, 2009
Design Review Approval	April 30, 2009
City Planning Commission Approval & Entitlements	June 30, 2009
Building Permits Issued	July 31, 2009
Construction Start	September 30, 2009
Completion of Developer's Work	December 31, 2009

Exhibit 4: Scope of Development

The Jay & Gee Site is located on the Southeast corner of 8th Avenue and 43rd Street (APN 014-221-001) located in the Oak Park Redevelopment Area. The project will be a homeownership development of a one-story single-family dwelling with a detached garage that is a 3-bedroom, 2-bathroom residence. NeighborWorks will construct a for sale unit affordable for a low income family.

The structure will meet Oak Park design guidelines and conforms to homes in the neighborhood. The home will have a six-foot porch; sashed energy efficient windows on all sides; horizontal siding; and a dormer with a pitched roof and a minimum 30-year warranty.



**BENDER
ROSENTHAL, INC.**

COMMERCIAL VALUATION AND RIGHT OF WAY SERVICES

4400 Auburn Blvd., Suite 102
Sacramento, CA 95841
Main (916) 978-4900
Fax (916) 978-4904
www.benderrosenthal.com

**RELOCATION ASSISTANCE PLAN
FOR THE JAY & GEE MARKET
OAK PARK DEVELOPMENT PROJECT**

SACRAMENTO, CALIFORNIA

PREPARED FOR THE

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

**630 I STREET
SACRAMENTO CA 95814**

By

**BENDER ROSENTHAL, INC.
4400 AUBURN BOULEVARD, SUITE 102
SACRAMENTO, CA 95841
(916) 978-4900**

August 2008

BENDER ROSENTHAL, INC

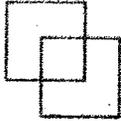


TABLE OF CONTENTS

INTRODUCTION	1
RELOCATION PLAN	2
A. METHODOLOGY AND ASSESSMENT OF NEEDS	2
B. FIELD SURVEY – ASSESSMENT OF NEEDS	2
C. PROJECT OCCUPANCY	3
D. REPLACEMENT HOUSING RESOURCES	3
E. CONCURRENT RESIDENTIAL DISPLACEMENT	3
F. TEMPORARY HOUSING	3
G. PROGRAM ASSURANCES AND STANDARDS	3
H. RELOCATION ASSISTANCE PROGRAM	4
I. CITIZEN PARTICIPATION REVIEW	4
J. RELOCATION BENEFIT CATEGORY	4
K. PAYMENT OF RELOCATION BENEFITS	6
L. EVICTION POLICY	6
M. GRIEVANCE PROCEDURES	6
N. PROJECTED DATES OF DISPLACEMENT	6
O. ESTIMATED RELOCATON COST	7
P. CONCLUSIONS	7

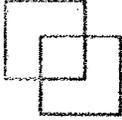
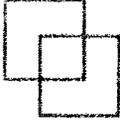


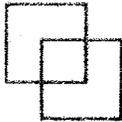
TABLE OF ATTACHMENTS

- Attachment 1:** Project Site Map
- Attachment 2:** 2008 HUD Income Limits and Demographics for Sacramento County
- Attachment 3:** Housing Resource Survey
- Attachment 4:** General Information Notice
- Attachment 5:** Residential Informational Brochure
- Attachment 6:** Relocation Payment Policy regarding Procedures for Payment of Relocation Claims



INTRODUCTION

The Jay and Gee Market is operated in what was formerly a two story single family home at 4300 43rd Street in the Oak Park Redevelopment Area. The market occupies the ground floor and there is a rental unit on the second floor. The market holds a liquor license, which the seller plans to retire if the project is approved. Neighborhood Housing Services (NHS) is the buyer and is negotiating the purchase of the market. Sacramento Housing and Redevelopment Agency (Agency), acting as the Redevelopment Agency of the City of Sacramento is providing financial assistance to NHS to purchase and remodel the Jay and Gee Market as a single family home. Upon completion of the rehabilitation, the property will be sold to a qualified, low-income homebuyer. Financing used in the project is Oak Park Tax Increment. Therefore, California relocation regulations at Title 25, Chapter 6, apply to the relocation activities. By providing assistance to NHS, the Agency will take another step in eliminating blight in the Oak Park project area and will aid in the preservation of the local housing stock.



RELOCATION PLAN

Bender Rosenthal, Inc (BRI), an experienced right-of-way firm, has been selected to prepare this Relocation Plan (the Plan), and provide all subsequently required relocation assistance. In compliance with statutory requirements, the Plan has been prepared to evaluate the present circumstances and replacement housing requirements of the current Project occupants.

This Relocation Plan has been prepared in accordance with the provisions of the California Relocation Assistance Law, California Government Code, Section 7260 et. seq., the California Code of Regulations, Title 25, Chapter 6; Relocation Assistance and Real Property Acquisition, as amended January 01, 1998.

No displacement activities will take place prior to the required reviews and approval of this Plan. In order to attain its overall development goals for the Project, it is the Agency's intention to provide a fair and equitable relocation program for all eligible Project displacees.

A. METHODOLOGY AND ASSESSMENT OF NEEDS

To obtain information necessary for the preparation of this Plan, a personal interview was conducted with the Project occupant in August 2008.

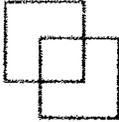
Inquiries made of the residential occupant included household size and composition, ages of occupants, mortgage terms and conditions, income information, length and type of occupancy, ethnicity, language first spoken in the home, disabilities/health problems, and preferences related to replacement housing and location. All information of a statistical nature supplied by the occupants was anecdotal and not validated by documentary evidence that otherwise would be required to comply with relocation qualifying criteria.

B. FIELD SURVEY DATA - ASSESSMENT OF NEEDS

If the proposed project proceeds, one (1) tenant-occupied household will be displaced. The household to be displaced is housed in a two-bedroom apartment located directly above the Jay & Gee Market.

Composition Adults/Children	Current Bedrooms	Bedrooms Needed	Elderly/ Physically Disabled	Language	Race
(2) (0)	2	2	No/No	English	Arabic

The table in **Attachment 2** shows the most current income limits for the "very low", "lower", "moderate" and "median" income categories as established for the year 2008 by HUD, for Sacramento County. According to HUD's current income limits, the one household to be displaced is considered very low income.



C. PROJECT OCCUPANCY/OVERCROWDING

For purposes of determining whether overcrowding conditions exist, an occupancy standard of two persons per sleeping room plus one person in a non-sleeping room was utilized. Based on that Occupancy Standard, no overcrowding was reported.

D. REPLACEMENT HOUSING RESOURCES

One of the primary purposes of a Relocation Plan is to demonstrate the availability of comparable, affordable, decent, safe and sanitary housing prior to the displacement of residential occupants. In order to adequately relocate the Project household (1) – a two bedroom dwelling unit will be required.

A housing survey was made during the third week in August 2008 to identify available comparable, decent, safe and sanitary units available for rent in close proximity to the Project site. Based on the results of that survey, it appears that comparable replacement dwelling units will be available during the relocation period to meet the potential needs of the household who will be permanently displaced. Attached as **Attachment 3** is a copy of the resource study showing the number of available units and their rental rates.

E. CONCURRENT RESIDENTIAL DISPLACEMENT

Based on the needs of the Project, there is no concurrent displacement which may impact upon the ability to relocate the displaced household.

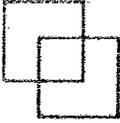
F. TEMPORARY HOUSING

There is no anticipated need for temporary housing. Should such a need arise, Agency will respond appropriately and in conformance with all applicable laws and requirements.

G. PROGRAM ASSURANCES AND STANDARDS

Adequate funds are available to relocate the households. Relocation assistance services will be provided to ensure that displacement does not result in different or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act, and the Unruh Act, as well as any other arbitrary or unlawful discrimination.

No one will be permanently displaced without 90 days advance written notice and unless “comparable” replacement housing can be made available. “Comparable” housing includes standards such as: decent, safe, and sanitary, comparable as to the number of bedrooms,



living space, and type and quality of construction of the acquired unit but not lesser in rooms or living space than necessary to accommodate the displaced household; in an area that does not have unreasonable environmental conditions; not generally less desirable than the acquired unit with respect to location to schools, employment, health and medical facilities, and other public and commercial facilities and services; and within the financial means of the displaced household.

The relocation program to be implemented by the Agency conforms with the standards and provisions set forth under the California Code of Regulations at Title 25, Chapter 6.

H. RELOCATION ASSISTANCE PROGRAM

BRI staff is available to assist any displaced household with questions about relocation and/or assistance in relocating. Relocation staff can be contacted at (916) 978-4900 from 9:00 a.m. to 5:00 p.m. Monday through Friday. A comprehensive relocation assistance program, with technical and advisory assistance, will be provided to the households being permanently displaced. Close personal contact will be maintained with each household. Specific activities will include:

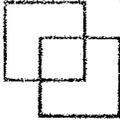
1. Distribution of the General Information Notice. **Attachment 4** contains a sample of the General Information Notice that will be given to the displaced household.
2. Distribution of the Residential Informational Brochure. **Attachment 5** contains a sample of the Residential Informational Notice that will be given to displaced household.
3. Timely referrals to at least three comparable replacement units as defined above. Transportation to inspect potential replacement units will be offered to the household.
4. Assistance with completion and filing of relocation claims, rental applications, and appeals forms, if necessary.

I. CITIZEN PARTICIPATION/PLAN REVIEW

This Plan will be made available to the impacted household and to the public for the mandatory thirty (30) day review period. Comments to this Plan, if any, will be included as a Plan addendum prior to submission to Agency for final approval.

J. RELOCATION BENEFIT CATEGORIES

Permanent relocation benefits will be paid upon submission of required claim forms and documentation in accordance with approved procedures. Last resort housing payments will be made in installments unless the household chooses to purchase a home. The Agency will provide appropriate benefits for the displaced household as required by the above laws and requirements.



Residential Moving Expense Payments

The subject household will be eligible to receive a payment for moving expenses. Payments will be determined based on the cost of one, or a combination of the following methods:

- 1) **Commercial Move** - a move performed by a professional mover. Displaced occupants may elect to have a licensed, professional mover perform the move; if so, the Agency will pay for the actual cost of the move up to 50 miles and all reasonable charges for packing, unpacking, insurance, and utility connection charges. The payment will be made directly to the mover or as reimbursement to the displaced household with proper supporting documentation. Utility reconnections include gas, water, electricity, and telephone.

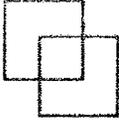
- 2) **Self Move** - Displaced occupant may perform a self-move in one or a combination of the following methods:
 - a) **Fixed Residential Moving Cost Schedule** - based on the number of rooms containing furniture or other personal property to be moved. The fixed moving payment will be determined according to the most recent Fixed Residential Moving Cost Schedule approved by the Federal Highway Administration.

 - b) **Actual cost move** - supported by receipted bills for labor and equipment. Hourly labor rates and equipment rental fees may not exceed the cost paid by a commercial mover.

The displaced household may be eligible for a payment of up to \$5,250.00 to assist them with renting or purchasing a comparable replacement dwelling. In order to qualify, the displacee must be a tenant who has occupied the present dwelling for at least 90 days prior to the initiation of negotiations (the later of the acquisition of the property or date of the written agreement between NHS and the Agency).

Rental Assistance - If the displacee qualifies, and wishes to rent a replacement dwelling, the rental assistance benefits will be based upon the difference over a forty-two (42) month period between the rent the displacee pays for a comparable replacement dwelling and the lesser of the displacee's current rent or thirty percent (30%) of the gross monthly household income. The displacee will be required to provide the relocation representative with monthly rent and household income verification prior to the determination of eligibility for this payment.

- OR -



Down payment Assistance. If the displacee qualifies, and wishes to purchase a home as a replacement dwelling, the displacee can apply up to the total amount of the rental assistance payment towards the down payment and non-recurring incidental expenses. The relocation representative will clarify procedures necessary to apply for this payment.

K. PAYMENT OF RELOCATION BENEFITS

Relocation benefit payments will be made expeditiously. Claims and supporting documentation for relocation benefits must be filed with Agency within eighteen (18) months from the date the claimant moves from the displacement property. Procedures for preparing and filing of claims, processing, and delivering of payments are attached as **Attachment 6**.

The household will not be displaced until "comparable" housing is located as defined above. Relocation staff will inspect any replacement units to which referrals are made to verify that they meet all the standards of decent, safe, and sanitary as defined in Article 1, 6008 (d) of the California Code of Regulations. No household will be entitled to a rental assistance or replacement housing payment if it chooses to move to a replacement unit, which does not meet the standards of decent, safe, and sanitary housing.

L. EVICTION POLICY

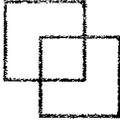
The Agency recognizes that eviction is permissible only as a last resort and that relocation records must be documented to reflect the specific circumstances surrounding any eviction. Eviction will only take place in cases of nonpayment of rent, serious violation of the rental agreement, a dangerous or illegal act in the unit, or if the household refuses all reasonable offers to move.

M. GRIEVANCE PROCEDURES

The grievance procedures policy will follow the standards of the California Code of Regulations, Title 25, Division 1, Chapter 6; Article 5 (6152-6170). Briefly stated, the displaced household will have the right to ask for review when there is a complaint regarding any of its rights to relocation and relocation assistance, such as a determination as to eligibility, the amount of payment, or the failure to provide a comparable replacement housing referral.

N. PROJECTED DATES OF DISPLACEMENT

The displaced household will receive a 90-day notice to vacate before they are required to move. This notice is expected to be issued on or about October of 2008. All relocation is expected to be completed on or about January of 2009.



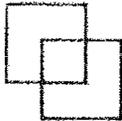
O. ESTIMATED RELOCATION COSTS

Rental Assistance	\$16,800
Fixed Move Payment	<u>\$ 1,425</u>
Total	\$18,225

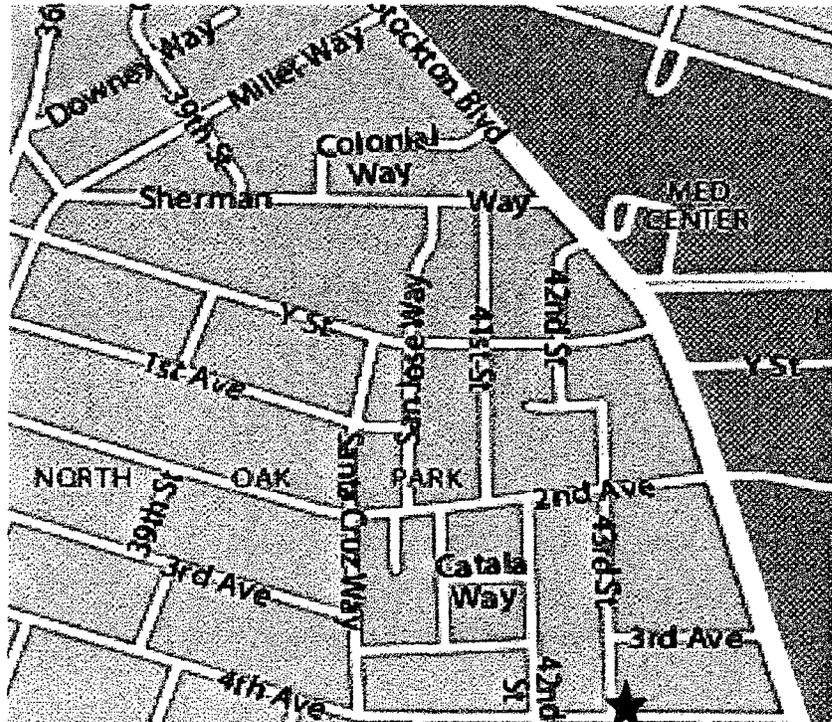
This estimated relocation budget does not include relocation administrative services or provision for any other services necessary for the implementation of the Plan and Project.

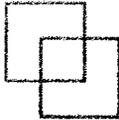
P. CONCLUSION

The Agency is committed to providing all of the financial and advisory assistance necessary to coordinate the relocation of Project occupants to comparable replacement housing, and to work to minimize the difficulties with which residents with limited resources will have to cope. The numerical results, in terms of the availability of replacement housing, suggest that there will be adequate resources available to meet the needs of Project occupants.



ATTACHMENT 1: PROJECT SITE MAP





**ATTACHMENT 2:
SACRAMENTO COUNTY GENERAL HOUSEHOLD
CHARACTERISTICS, 2008 HUD INCOME LIMITS, AND
DEMOGRAPHICS**

2006 BASIC HOUSEHOLD CHARACTERISTICS	
Sacramento County	
Total Population	1,374,724
Persons in Household	996,967
Housing Units	542,499
Households	453,602
Persons per household	2.64
Vacancy Factor	3.1%

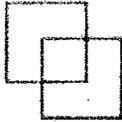
Source: U.S. Census (1990-2000 with 2006 estimated)

FY 2008 Income Limit Area	Median Income	FY 2008 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
		Very Low (50%) Income Limits	\$24,850	\$28,400	\$31,950	\$35,500	\$38,350	\$41,200	\$44,000	\$46,850
Sacramento County	\$71,000 4 persons	Extremely Low (30%) Income Limits	\$14,900	\$17,050	\$19,150	\$21,300	\$23,000	\$24,700	\$26,400	\$28,100
		Low (80%) Income Limits	\$39,750	\$45,450	\$51,100	\$56,800	\$61,350	\$65,900	\$70,450	\$75,000

Sacramento County Income Limits

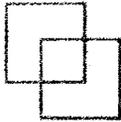
	Sacramento County
White	31.6%
Black or African American	18.3%
American Indian and Alaska Native Persons	Ethnicity
Asian	16.4%
Native Hawaiian & Other Pacific Islander	0.51%
Hispanic or Latino Origin	44.6%
Reporting Two or More Races	6.8%
White persons not Hispanic	25.4%

Source: U.S. Census Bureau - 2000



**ATTACHMENT 3:
HOUSING RESOURCE SURVEY**

Name	Address	Contact	# Units	Total Units Available	Type of Units	Square Footage	Rent Amount
The Falls at Arden	2345 Northrop Ave, Sacramento, CA 95825	866-714-1756	272	16	Studio 1 Bedroom 2 Bedroom	423 687 987	\$650 - \$725 \$800 - \$865 \$1025 - \$1150
Lincoln Place Apartments	817 Fulton Avenue, Sacramento, CA 95825	(888) 665-1677	240	0	1 Bedroom 2 Bedroom	450 - 650 820 - 875	\$695 - \$710 \$850
The Summit Apartments	2501 Hurley Way, Sacramento, CA 95825	(888) 759-1809	220	10	1 Bedroom 2 Bedroom	644 744 - 806	\$650 \$715
Sierra Fair Apartments	2500 Fair Oaks Blvd, Sacramento, CA 95825	(866) 878-3740	203	16	1 Bedroom 2 Bedroom	N/A N/A	\$625 \$725 - \$750
Sterling Pointe Apartments	2257 Hurley Way, Sacramento, CA 95825	(888) 282-3299	250	0	1 Bedroom 2 Bedroom 3 Bedroom	592 - 627 840 - 910 1050	\$675 - \$695 \$825 - \$895 \$1100
Emerald Place Apartments	1530 Fulton Avenue, Sacramento, CA 95825	(866) 478-4342	204	0	1 Bedroom 2 Bedroom 3 Bedroom	630 814 - 864 1008	\$705 \$825 \$1150
Royal Riverwood Manor Apartments	7767 La Riviera Drive, Sacramento, CA 95826	(866) 465-7024	250	8	1 Bedroom 2 Bedroom 3 Bedroom	592 - 627 760 - 840 1050	\$680 - \$740 \$830 - \$895 \$1100 - \$1350
La Riviera Apartments	8795 La Riviera Drive, Sacramento, CA 95826	(866) 259-8129	210	15	1 Bedroom 2 Bedroom	638 - 640 840	\$695 - \$775 \$850
Glenbrook Apartments	8725 La Riviera Drive, Sacramento, CA 95826	(866) 261-6219	206	5	1 Bedroom 2 Bedroom	640 840	\$695 - \$775 \$850 - \$875
Village Green Apartments	2701 Corabel Lane, Sacramento, CA 95821	(866) 327-1064	274	1	1 Bedroom 2 Bedroom 3 Bedroom	680 - 714 756 - 1014 1169 - 1243	\$690 - \$735 \$750 - \$890 \$1050 - \$1075
The Verge at College Park Apartments	6730 4 th Avenue, Sacramento, CA 95817	(866) 781-0155	288	22	1 Bedroom 2 Bedroom 3 Bedroom	680 - 714 756 - 1014 1169 - 1243	\$690 - \$735 \$750 - \$890 \$1050 - \$1075
Partridge Pointe Apartments	4001 South Watt Avenue, Sacramento, CA 95826	(866) 741-7253	240	17	1 Bedroom 2 Bedroom 3 Bedroom	650 890 1115	\$695 - \$785 \$795 - \$875 \$1050 - \$1075
Tallyho Village Apartments	9130 Kiefer Blvd, Sacramento, CA 95826	(866) 716-9545	256	0	1 Bedroom 2 Bedroom	727 830 - 1003	\$820 \$890 - \$1000
Arbor Pointe Apartments	9750 Old Placerville Road, Sacramento, CA 95827	(877) 393-3874	240	4	1 Bedroom 2 Bedroom	682 816 - 915	\$830 - \$880 \$900 - \$1015
Willow Pointe at Lindale Apartments	6601 Sunnyslope Drive, Sacramento, CA 95828	(866) 766-7806	210	15	1 Bedroom 2 Bedroom 3 Bedroom	595 792 - 840 932	\$625 \$725 - \$750 \$910
Sunflorin Village Apartments	8550 Florin Road, Sacramento, CA 95828	(877) 506-3177	256	22	1 Bedroom 2 Bedroom	655 - 672 889 - 897	\$690 - \$765 \$839 - \$915
Gold Ridge Apartments	2929 Routier Road, Sacramento, CA 95827	(888) 405-0331	268	3	1 Bedroom 2 Bedroom	650 930	\$745 \$855
Oak Pointe Apartments	2450 Seamist Drive, Sacramento, CA 95833	(888) 327-8113	216	0	1 Bedroom 2 Bedroom	621 821 - 890	\$725 \$780 - \$935
Delta Pointe Apartments	1560 Waterwheel Drive, Sacramento, CA 95833	(888) 316-4847	268	0	1 Bedroom 2 Bedroom 3 Bedroom	770 1004 - 1119 1290 - 1413	\$900 \$1075 - \$1175 \$1245 - \$1375
Sienna Vista Apartments	4901 Little Oak Lane, Sacramento, CA 95841	(888) 246-5416	296	8	1 Bedroom 2 Bedroom 3 Bedroom	630 860 1200	\$575 - \$672 \$651 - \$751 \$801 - \$913



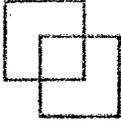
**BENDER
ROSENTHAL, INC.**

COMMERCIAL VALUATION AND RIGHT OF WAY SERVICES

RELOCATION ASSISTANCE PLAN FOR THE JAY & GEE MARKET

August 2008

Pheasant Pointe Apartments	2660 Stonecreek Drive, Sacramento, CA 95833	(888) 468-0449	215	11	1 Bedroom 2 Bedroom	680 860 - 926	\$720 - \$780 \$780 - \$1000
Broadstone at Strawberry Creek Apartments	8282 Calvine Road, Sacramento, CA 95828	(916) 681-0308	264	158	1 Bedroom 2 Bedroom 3 Bedroom	746 - 822 1101 - 1126 1367	\$1005 - \$1255 \$1320 - \$1335 \$1575
Atrium Court Apartments	3801 Duckhorn Drive, Sacramento, CA 95834	(888) 376-6844	200	4	2 Bedroom 3 Bedroom	919 1078	\$687 - \$955 \$782 - \$1105
Natomas Village Apartments	3200 Truxel Road, Sacramento, CA 95833	(866) 560-5268	264	0	1 Bedroom 2 Bedroom	755 995	\$740 - \$780 \$840 - \$880
Cambridge Park Apartments	5800 Hamilton Street, Sacramento, CA 95842	(866) 463-9186	200	9	1 Bedroom 2 Bedroom 3 Bedroom	687 960 1205	\$645 - \$665 \$750 - \$785 \$1015 - \$1025
Irongate Apartments	3301 Arena Boulevard, Sacramento, CA 95834	(877) 612-6478	280	2	1 Bedroom 2 Bedroom 3 Bedroom	771 1133 1240	\$1010 - \$1205 \$1230 - \$1425 \$1475 - \$1605
Medici Apartments	4450 El Centro, Sacramento, CA 95834	(888) 758-5664	216	35	1 Bedroom 2 Bedroom 3 Bedroom	715 - 975 970 - 1085 1322	\$1060 - \$1340 \$1280 - \$1495 \$1295 - \$1715
Countrywood Village Apartments	5500 Mack Road, Sacramento, CA 95823	(866) 449-2684	292	5	1 Bedroom 2 Bedroom	N/A 838	\$647 - \$677 \$757 - \$807
California Place Apartments	6633 Valley Hi Drive, Sacramento, CA 95823	(800) 215-9485	211	0	1 Bedroom 2 Bedroom	N/A N/A	\$650 - \$750 \$775 - \$800
Aspen Park Apartments	5152 Mack Road, Sacramento, CA 95823	(888) 316-5195	280	31	1 Bedroom 2 Bedroom	N/A N/A	\$665 - \$685 \$710 - \$825
Verner Oaks Vista Apartments	6430 Verner Avenue, Sacramento, CA 95841	(864) 334-0617	268	4	1 Bedroom 2 Bedroom	569 - 605 842	\$745 - \$785 \$955 - \$995
Adagio Apartments	2800 Grasslands Drive, Sacramento, CA 95833	(866) 257-7812	224	22	1 Bedroom 2 Bedroom	792 - 828 1081 - 1091	\$1035 - \$1190 \$1160 - \$1480
Riverview Ranch Apartments	2763 River Plaza Drive, Sacramento, CA 95833	(866) 758-5682	262	10	1 Bedroom 2 Bedroom 3 Bedroom	640 840 - 1056 1056	\$795 \$895 - \$1200 \$1095
Bent Tree Apartments	4350 Galbrath Drive, Sacramento, CA 95842	(888) 599-8907	208	20	1 Bedroom 2 Bedroom	N/A N/A	\$665 - \$685 \$710 - \$825
Pepperwood Knoll Apartments	7200 Pepperwood Knoll Lane, Sacramento, CA 95842	(866) 453-8913	296	23	1 Bedroom 2 Bedroom	708 861 - 1000	\$715 - \$755 \$815 - \$965
The Esplanade Apartments	6058 Riverside Blvd, Sacramento, CA 95831	(866) 362-2330	220	12	1 Bedroom 2 Bedroom 3 Bedroom	691 850 - 1135 1135 - 1136	\$755 - \$775 \$815 - \$955 \$1100 - \$1125
Miramonte Apartments	4850 Natomas Blvd, Sacramento, CA 95835	(888) 423-1973	268	11	1 Bedroom 2 Bedroom 3 Bedroom	615 - 945 970 - 1060 1247	\$915 - \$1315 \$1190 - \$1430 \$1450 - \$1675
Terracina Gold Apartments	4451 Gateway Park Blvd, Sacramento, CA 95834	(866) 599-1875	280	0	1 Bedroom 2 Bedroom 3 Bedroom	615 - 945 970 - 1060 1247	\$915 - \$1315 \$1190 - \$1430 \$1450 - \$1675
Willow Grove Apartments	2424 Hurley Way, Sacramento, CA 95825	(866) 788-7819	306	15	Studio 1 Bedroom 2 Bedroom 3 Bedroom	480 600 - 735 768 - 980 1185	\$650 \$695 - \$760 \$800 - \$1000 \$1150
Rivercrest Village Apartments	7928 La Riviera Drive, Sacramento, CA 95826	(888) 211-7378	328	12	1 Bedroom 2 Bedroom 3 Bedroom	704 964 1176	\$825 \$985 \$1295
Fountains at Pointe West Apartments	1761 Heritage Lane, Sacramento, CA 95815	(866) 517-8263	339	19	Studio 1 Bedroom 2 Bedroom 3 Bedroom	480 756 1005 - 1035 1180	\$650 - \$750 \$725 - \$825 \$925 - \$1025 \$1250 - \$1350



**BENDER
ROSENTHAL, INC.**

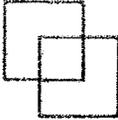
COMMERCIAL VALUATION AND RIGHT OF WAY SERVICES

RELOCATION ASSISTANCE PLAN FOR THE JAY & GEE MARKET

August 2008

Pointe Natomas Apartments	801 San Juan Rd, Sacramento, CA 958341	(877) 841-5425	336	20	1 Bedroom	729	\$995 - \$1045
					2 Bedroom	919 - 1015	\$1095 - \$1225
Stone Creek Apartments	2645 Stonecreek Drive, Sacramento, CA 95833	(916) 929-5447	368	29	1 Bedroom	692	\$760 - \$780
					2 Bedroom	1015	\$860 - \$960
					3 Bedroom	1043	\$1199 - \$1319
River Terrace Apartments	2593 Millcreek Drive, Sacramento, CA 95833	(866) 701-7357	347	8	1 Bedroom	680	\$725 - \$755
					2 Bedroom	795	\$775 - \$805
					3 Bedroom	895	\$845 - \$875
Governor's Square Apartments	1451 3 rd St, Sacramento, CA 95814	(866) 220-2249	302	0	1 Bedroom	570	\$895
					2 Bedroom	1085 - 1347	\$1020 - \$1195

BENDER ROSENTHAL, INC



ATTACHMENT 4:
GENERAL INFORMATION NOTICE
RESIDENTIAL OCCUPANT TO BE DISPLACED

Date

Address

Dear _____:

Sacramento Housing and Redevelopment Agency, acting as the Redevelopment Agency of the City of Sacramento is providing financial assistance to Neighborhood Housing Services to purchase and remodel the Jay and Gee Market as a single family home. Upon completion of the rehabilitation, the property will be sold to a qualified, low-income homebuyer. This notice is to inform you of your rights under California law. If the Neighborhood Housing Services acquires the property and you are displaced for the project, you will be eligible for relocation assistance under Section 7260 et seq. of the California Government Code and Title 25 of the California Code of Regulations, Chapter 6, Relocation Assistance and Real Property Acquisition Guidelines. However, **do not move now**. This is **not** a notice to vacate the premises.

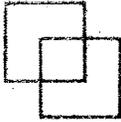
Our firm, Bender Rosenthal, Inc. (BRI), an experienced right-of-way firm, has been selected to prepare a Relocation Plan (the Plan), and provide all subsequently required relocation assistance. In compliance with statutory requirements, the Plan will be prepared to evaluate the present circumstances and replacement housing requirements of the current Project occupants.

If you rent your unit, you should continue to pay your monthly rent to your landlord because failure to pay rent and meet your obligations as a tenant may be cause for eviction and loss of relocation assistance. You are urged not to move or sign any agreement to purchase or lease a unit before receiving formal notice of eligibility for relocation assistance. If you move or are evicted before receiving such notice, you may not receive any assistance. Please contact BRI before you make any moving plans or if you have any questions regarding this notice.

Again, this is not a notice to vacate and does not establish eligibility for relocation payments or other relocation assistance.

Sincerely,


Tammie Bedlington
Senior Project Manager



**ATTACHMENT 5:
RESIDENTIAL INFORMATIONAL BROCHURE**

- I. GENERAL INFORMATION**
- II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING**
- III. MOVING BENEFITS**
- IV. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS**
- V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS**
- VI. LAST RESORT HOUSING ASSISTANCE**
- VII. RENTAL AGREEMENT**
- VIII. APPEAL PROCEDURES - GRIEVANCE**
- IX. TAX STATUS OF RELOCATION BENEFITS**
- X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE**

I. GENERAL INFORMATION

The building in which you now live is in an area to be improved by the Sacramento Housing Redevelopment Agency (Agency). As the project schedule proceeds, it may be necessary for you to move from your dwelling. If you are required to relocate, you will be notified in a timely manner as to the date by which you must move.

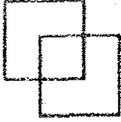
Please read this information as it will be helpful to you in determining your eligibility and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

The Agency has retained the services of Bender Rosenthal, Inc, a qualified professional relocation firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:

4400 Auburn Boulevard, Suite 102
Sacramento, CA 95841
916.978.4900

Spanish speaking representatives are available. **Si necesita esta información en Español, por favor llame a su representante.**

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. However, if you desire to move sooner than required, you must contact your representative with Bender Rosenthal, Inc. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Agency's relocation assistance program.



II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING

The Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

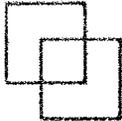
III. MOVING BENEFITS

If you must move as a result of displacement by the Agency, you will receive a payment to assist in moving your personal property. There are two types of moving payments. You have the option of selecting either one of the following types of moving payments:

A. Fixed Moving Payment

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Agency, and ranges, for example, from \$625.00 for one furnished room to \$2,150.00 for eight rooms in an unfurnished dwelling. (For details see the table below). Your relocation representative will inform you of the amount you are eligible to receive if you choose this type of payment.

FIXED MOVING SCHEDULE (CALIFORNIA)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$625.00	1 room	\$400.00
2 rooms	\$800.00	each additional room	\$65.00
3 rooms	\$1,000.00	X	
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$225.00		



If you select a fixed payment, you will be responsible for arranging for your own move and the Agency will assume no liability for any loss or damage of your personal property.

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have the AGENCY pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a scope of services for AGENCY approval.

IV. REPLACEMENT HOUSING PAYMENT - TENANTS AND CERTAIN OTHERS

You may be eligible for a payment of up to \$5,250.00 to assist you in renting or purchasing a comparable replacement dwelling. In order to qualify, you must be a tenant who has occupied your present dwelling for at least 90 days prior to the Agency's first offer to purchase the property.

Rental Assistance. If you qualify, and **wish to rent** your replacement dwelling, your rental assistance benefits will be based upon the difference over a forty-two (42) month period between the rent you must pay for a comparable replacement dwelling and the lesser of your current rent or thirty percent (30%) of your gross monthly household income. You will be required to provide your relocation representative with monthly rent and household income verification prior to the determination of your eligibility for this payment.

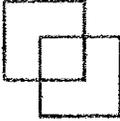
- OR -

Down payment Assistance. If you qualify, and **wish to purchase** a home as a replacement dwelling, you can apply up to the total amount of your rental assistance payment towards the down payment and non-recurring incidental expenses. Your relocation representative will clarify procedures necessary to apply for this payment.

V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the later of** the following:

The date the Agency fulfills its obligation to make available comparable replacement dwellings.



All claims for relocation benefits must be filed with the Agency **within eighteen (18) months** from the date on which you receive final payment for your property, or the date, on which you move, whichever is later.

VI. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the AGENCY will provide Last Resort housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

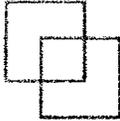
If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and last resort eligibility must be applied toward the down-payment of the home you intend to purchase.

VII. RENTAL AGREEMENT

As a result of the Agency's action to purchase the property where you live, you may become a tenant of the Agency. If this occurs, you will be asked to sign a rental agreement which will specify the monthly rent to be paid, when rent payments are due, where they are to be paid and other pertinent information.

Except for the causes of eviction set forth below, no person lawfully occupying property to be purchased by the Agency will be required to move without having been provided with at least 90 days written notice from the Agency. Eviction will be undertaken only in the event of one or more of the following infractions:

- A. Failure to pay rent; except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;
- B. Performance of dangerous illegal act in the unit;
- C. Material breach of the rental agreement and failure to correct breach within 30 days of notice;
- D. Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- E. Refusal to accept one of a reasonable number of offers of replacement dwellings;
or



- F. The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of the public entity.

VIII. APPEAL PROCEDURES - GRIEVANCE

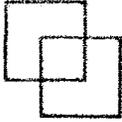
Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his/her claim reviewed or reconsidered in accordance with the Agency's appeals procedure. Complete details on appeal procedures are available upon request from the Agency.

IX. TAX STATUS OF RELOCATION BENEFITS

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11(commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

X. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative.



**ATTACHMENT 6:
RELOCATION PAYMENT POLICY REGARDING PROCEDURES FOR
PAYMENT OF RELOCATION CLAIMS**

Claims and supporting documentation for relocation benefits must be filed with Sacramento Housing and Redevelopment Agency (Agency) within eighteen (18) months from the date the claimant moves from the acquired property.

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of California Relocation Law.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to Agency.
4. The Agency will review and approve claims for payment or request additional information.
5. The Agency will issue benefit checks which will be available for pick-up by Claimants, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the Project area premises have been completely vacated and actual residency at replacement unit is verified.
7. Receipts of payment will be obtained and maintained in the relocation case file.