

RESOLUTION NO. 2009-013

Adopted by the Redevelopment Agency
of the City of Sacramento

February 24, 2009

APPROVAL OF LOAN AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO AND AMENDMENT OF CONTRACT FOR LEGAL SERVICES WITH STOEL RIVES, LLP RELATED TO THE RAILYARDS REDEVELOPMENT PROJECT

BACKGROUND

- A. On May 13, 2008 the City Council approved the Railyards Redevelopment Plan thereby creating the Railyards Redevelopment Project Area.
- B. Start-up costs associated with the Railyards Redevelopment Project Area have exceeded the \$350,000 budget established in May 2008.
- C. Costs to the Railyards Redevelopment Project Area related to legal challenges that have been filed against the approval of the Project Area and Redevelopment Plan, and the approval of the Railyards Owner Participation Agreements, have exceeded the original contract amount with the law firm of Stoel Rives, LLP.
- D. The proposed action authorizes the Executive Director or her designee to enter into a Loan Agreement between the City of Sacramento and the Redevelopment Agency of the City of Sacramento for the Railyards Redevelopment Project Area to borrow \$300,000 from the City's Parking Enterprise Fund to cover existing and upcoming legal expenses.
- E. The proposed action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378 (b) (4), which exempts government fiscal activities that do not involve a commitment to any specific project from environmental review.

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

- Section 1. After due consideration of the facts presented, the findings, including the foregoing recitals and the environmental finding regarding this action, as stated in this Resolution are approved and adopted.
- Section 2. The Executive Director or her designee is authorized to execute the Loan Agreement in the amount of \$300,000 with the City in the form attached to the staff report to provide funding for the Railyards Redevelopment Project Area, and the Loan shall be repaid upon collection of future tax increment generated by the Railyards Redevelopment Project Area.

Section 3. The Executive Director or her designee is authorized to increase the Railyards Redevelopment Project Area budget for predevelopment services, administrative fees such as consulting services and legal services by \$300,000.

Section 4. The Executive Director or her designee is hereby authorized to amend the existing contract for legal services with Stoel Rives, LLP to increase the budget by \$250,000 for legal services related to the Railyards Redevelopment Project.

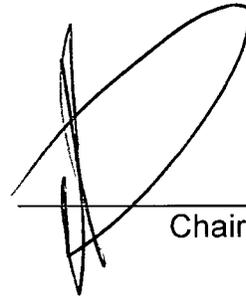
Adopted by the Redevelopment Agency of the City of Sacramento on February 24, 2009 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:


Shirley Concolino, Secretary