

RESOLUTION NO. 2009-059

Adopted by the Redevelopment Agency
of the City of Sacramento

November 3, 2009

930 K STREET HOTEL; DIRECTING STAFF TO NEGOTIATE BUSINESS TERMS WITH 10TH AND K STREET INVESTORS, LLC FOR AN OWNER PARTICIPATION AGREEMENT

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Merged Downtown Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for the Merged Downtown Project Area ("Project Area").
- B. The area surrounding the corner of 10th and K Streets, which is in the Merged Downtown Redevelopment Area, is undergoing significant redevelopment and investment.
- C. The owners of the property at 930 K Street and the development team, 10th and K Street Hotel Investors, LLC, have proposed development of a 165 room hotel project on the southwest corner of 10th and K Streets, which will require Agency assistance to ensure completion and success of the project.
- D. Agency staff is working to identify a source of financing for potential Agency assistance.
- E. The potential project will eliminate the following blighting influences: low or stagnant property values and impaired investment in the Project Area and high number of property vacancies, low rents, as well as to activate and improve the appearance and safety of this section of K Street.
- F. The concept of this project is consistent with the Amended Merged Downtown Redevelopment Plan and the 2005 Merged Downtown Redevelopment Implementation Plan.
- G. The proposed activities are exempt from CEQA, pursuant to CEQA Guidelines Section 15262, because they involve feasibility studies for possible future actions which the Agency has not approved, adopted or funded.

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

- Section 1. After due consideration of the facts presented, the findings, including but not limited to the environmental findings regarding this action, as stated in the background above, are approved.

Section 2. Agency staff is directed to continue to research potential funding sources to invest in the construction of the hotel project at 10th and K Streets.

Section 3. Agency staff is directed, once funding sources are identified, to negotiate an Owner Participation Agreement with 10th and K Street Hotel Investors, LLC and return for Agency approval of deal points and related documents.

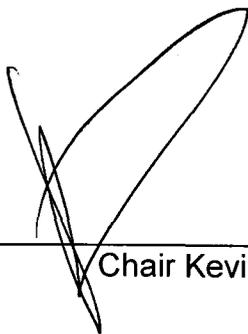
Adopted by the Redevelopment Agency of the City of Sacramento on November 3, 2009 by the following vote:

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