

RESOLUTION NO. 2010-013

Adopted by the Redevelopment Agency
of the City of Sacramento

March 9, 2010

APPROVAL OF THE 626 I STREET MODERNIZATION PROJECT OWNER PARTICIPATION AGREEMENT AND LOW MODERATE INCOME HOUSING SET ASIDE FUNDING TO LEVERAGE PROJECT FINANCING

BACKGROUND

- A. On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA).
- B. ARRA included a \$4 billion appropriation of Capital Fund for Public Housing Agencies (PHAs) to carry out capital and management activities, as authorized under Section 9 of the United States Housing Act of 1937. One billion was awarded to PHAs through the Capital Funds Recovery Competition (CFRC) Grants process.
- C. The Housing Authority of the City of Sacramento (Housing Authority) was awarded \$10 million in CFRC funding to be used to renovate the Riverview Apartments, located at 626 I Street.
- D. To provide the local fund leverage that is compatible with the CFRC grant award (federal funding), it is necessary to provide a conditional grant of \$3.2 million of Merged Downtown Tax Increment Housing Set Aside funds.
- E. The use of low moderate income housing funds as the local funding to be leveraged for the federal grant is an appropriate use of those funds as it preserves the community's supply of low income housing available at an affordable housing cost to persons that are extremely low, very low and low income households.
- F. The Agency finds that the Tax Increment set-aside funds that will be used to fund the Project are needed to make the housing units affordable. Therefore, the project is not required to provide Art in Public Places.
- G. The proposed action is exempt from environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15301(a) and (d). The proposed action is categorically excluded from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.35(a) (3)(ii) & (iii), which excludes rehabilitation of multifamily residential buildings, and commercial structures.

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 the environmental findings as stated above, are approved.
- Section 2. The Executive Director, or her designee, is authorized to defund \$3.2 million in Downtown Tax Increment Housing Set-Aside funding (TI) from the SRO Residential Hotel Project and allocate \$3.2 million from Tax Increment Housing Set Aside funds for the 626 I Street Modernization Project.
- Section 3. The Executive Director, or her designee, is authorized to amend the Sacramento Housing and Redevelopment Agency (Agency) budget to appropriate and expend \$3.2 million in Merged Downtown Tax Increment Housing Set-Aside (TI) funds for the 626 I Street Modernization Project.
- Section 4. The Executive Director, or her designee, is authorized to execute an Owner Participation Agreement and prepare a conditional grant agreement with the Housing Authority of the City of Sacramento for the 626 I Street project.

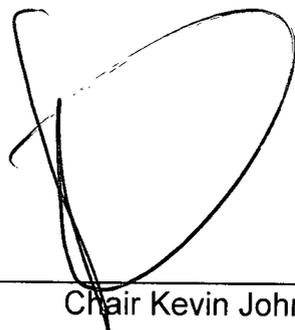
Adopted by the Redevelopment Agency of the City of Sacramento on March 9, 2010 by the following vote:

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