



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2671
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CONSENT
January 9, 2007

Honorable Mayor and Members of the City Council

Title: Fifth Amendment to Richards Boulevard Redevelopment Plan

Location/Council District: Richards Boulevard Redevelopment Project Area – Council Districts 1 and 3

Recommendation:

1) Review an Ordinance amending the Richards Boulevard Redevelopment Plan to repeal the time limit for indebtedness 2) pass for publication the Ordinance title as required by Sacramento City Charter 32c to be adopted on January 16, 2007.

Contact: Rachel Hazlewood, Sr. Economic Development Project Manager, 808-8645
Dave Harzoff, Economic Development Manager, 808-5385

Presenters: None.

Department: Economic Development

Organization No: 4451

Description/Analysis

Issue: The attached ordinance on pages 3 - 5 is presented at this time for approval of publication of title, pursuant to City Charter, Section 32. A joint public hearing is scheduled to take place January 16, 2007.

Policy Considerations: California Community Redevelopment Law allows for waiver of the formal redevelopment plan amendment process for eliminating the debt time limit. By repealing the time limit on indebtedness, the Agency will be able to continue to implement the Redevelopment Plan by establishing loans, advances and other indebtedness. Prior to adopting an ordinance, it must first be passed by Council for publication of title.

Environmental Considerations: The Amendment is exempt from environmental review under the California Environmental Quality Act Guidelines Section 15378(b)(4) as a government funding mechanism that does not involve commitment to fund any specific projects.

ORDINANCE NO. 2007 - _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

Date Adopted

**AN ORDINANCE OF THE CITY OF SACRAMENTO, CALIFORNIA
ADOPTING A FIFTH AMENDMENT TO THE REDEVELOPMENT PLAN
FOR THE RICHARDS BOULEVARD REDEVELOPMENT PROJECT
TO REPEAL TIME LIMIT ON INDEBTEDNESS**

- A. The City Council of the City of Sacramento (the "City Council") adopted a Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Redevelopment Plan") on July 17, 1990, by Ordinance No. 90-037.
- B. The Redevelopment Plan was subsequently amended on October 4, 1994, by Ordinance No. 94-046, on July 2, 1996, 1996 by Ordinance No. 96-038, on November 13, 2003, by Ordinance No. 2003-073, and on September 28, 2004 by Ordinance No. 2004-050 to establish various time limits, extend the Project Area boundaries, extend the Plan term, and extend the eminent domain authority.
- C. As a result of these Redevelopment Plan amendments, the expiration of the Redevelopment Plan is July 16, 2026, but the authority to incur indebtedness currently expires in 2010.
- D. In September 2004, the Redevelopment Agency of the City of Sacramento ("Agency") prepared a Report to Council which included information to demonstrate that significant blight remains within the Richards Boulevard Redevelopment Project Area and the City Council adopted findings that the Agency needs to continue its redevelopment efforts to correct conditions of blight to benefit the Project Area.
- E. Section 33333.6(e)(2)(B) of the California Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq., (the "CRL"), authorizes amendments to redevelopment plans adopted prior to January 1, 1994 to eliminate the time limit on the establishment of loans, advances and indebtedness (collectively "indebtedness"), so that the indebtedness time limit becomes the same as the Redevelopment Plan term.
- F. Section 33333.6(e)(2)(B) of the CRL also provides that an amendment to a pre-1994 redevelopment plan to repeal the time limit on indebtedness is exempt from the CRL's formal plan amendment processing requirements.
- G. Section 33607.7 of the CRL requires that the Agency continue to make payments to the affected taxing agencies pursuant to existing agreements entered into prior to

January 1, 1994 if an amendment to a pre-1994 redevelopment plan to repeal the time limit on indebtedness is adopted.

- H. Notice of the joint public hearing for this Fifth Amendment to the Richards Boulevard Redevelopment Plan to repeal the time limit on indebtedness was sent to all taxing agencies and published in a newspaper of general circulation in the City's jurisdictional boundaries once a week for three (3) successive weeks prior to the date of the joint public hearing, and a copy of said notice and affidavit of publication are on file with the City Clerk and Secretary of the Agency.
- I. The proposed action to adopt the Fifth Amendment to the Redevelopment Plan is exempt from environmental review under the California Environmental Quality Act Guidelines Section 15378(b)(4) as a government funding mechanism that does not involve commitment to fund any specific projects.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. The purpose and intent of the City Council with respect to the Project Area in connection with the Fifth Amendment is to extend the Agency's existing authority to issue loans, advances and bond indebtedness for the full term of the Redevelopment Plan by repealing the time limit on indebtedness in order to allow the Agency to continue to undertake steps to eliminate blight and blighting conditions, and achieve the goals and objectives of the Redevelopment Plan.

Section 2. The City Council hereby finds and determines, based on the evidence in the administrative record and all documents referenced herein:

- a) The Fifth Amendment will allow continued redevelopment to occur within the Project Area in conformity with the CRL and in the interests of the public health, safety and welfare. This finding is based upon the fact that the Fifth Amendment merely extends the Agency's existing authority to issue loans, advances and bond indebtedness and thus allows the Agency to undertake needed redevelopment activities in the Project Area.
- b) The adoption and carrying out of the Fifth Amendment is economically sound and feasible. This finding is based on the fact that with the passage of Fifth Amendment, the Agency will continue to engage in activities within the financial capability of the Agency based upon the revenues that will be available to the Agency and will pursue those activities which are consistent with revenues realized after adoption of the Fifth Amendment.
- c) The Fifth Amendment conforms to the General Plan of the City of Sacramento including, but not limited to, the Housing Element thereof, which substantially complies with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. This finding is

based on the fact that the Amendment does not change Project Area boundaries or any land uses in the Redevelopment Plan.

- d) The carrying out of the Fifth Amendment will help promote the public peace, health, safety and welfare of the City of Sacramento and will effectuate the purposes and policy of the CRL. This finding is based on the fact that continuation of the redevelopment effort will benefit the Project Area and the community by allowing the Agency to correct conditions of blight and by coordinating public and private actions to stimulate development, contribute toward needed public improvements and improve the economic and physical conditions of the Project Area and the community.

Section 3. The time limit of July 16, 2010 for establishment of loans, advances or indebtedness for the Richards Boulevard Redevelopment Plan, as set forth in Section 10 of Ordinance No. 94-046 adopted in October 4, 1996, is hereby repealed. Section 504, Time Limit on Establishment of Indebtedness, of the Redevelopment Plan is hereby amended to read as follows (~~lined through~~ language is deleted and introduced language appears in *italics*):

D. "[Section 504] Time Limit on Establishment of Indebtedness

The Agency shall not establish or incur loans, advances or indebtedness to finance in whole or in part the Project ~~beyond July 16, 2010~~ *after the expiration of this Plan*. Loans, advances or indebtedness may be repaid over a period of time beyond said time limit *in accordance with the Community Redevelopment Law*. Such time limitation *to establish or incur loans, advances or indebtedness* may be extended only by amendment of this Plan *to extend its term*."

Section 4. In order to implement and facilitate the effectuation of the Redevelopment Plan as hereby amended, the City Council hereby: (a) restates its pledge of cooperation to the Agency in helping to carry out the Redevelopment Plan, (b) restates its request that the various officials, departments, boards and agencies of the City of Sacramento having administrative responsibilities in the Project Area likewise cooperate to such end and exercise their respective functions and powers in a manner consistent with the redevelopment of the Project Area, (c) reaffirms that it stands ready to consider and take appropriate action upon proposals and measures designed to effectuate the Redevelopment Plan, and (d) redeclares its intention to undertake and complete any proceeding necessary to be carried out by the City of Sacramento under the provisions of the Redevelopment Plan, as amended.

Section 5. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, whereupon the Agency is vested with the responsibility for carrying out the Redevelopment Plan, as amended.

Section 6. The City Clerk is hereby directed to record with the County Recorder of Sacramento County a statement that the Fifth Amendment has been approved in

conformity with the CRL.

Section 7. This Ordinance shall be in full force and effect thirty (30) days from and after the date of final passage.

Section 8. If any part of this Ordinance, or the Fifth Amendment which it approves, is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance or of the Redevelopment Plan, and the City Council hereby declares it would have passed the remainder of this Ordinance or approved the remainder of the Redevelopment Plan if such invalid portion thereof had been deleted.

