



**REPORT TO THE  
REDEVELOPMENT AGENCY  
AND CITY COUNCIL  
of the City of Sacramento**

915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

Public Hearing  
**January 16, 2007**

**Honorable Mayor and Members of the City Council  
Honorable Chair and Members of the Board**

**Title: Fifth Amendment to the Richards Boulevard Redevelopment Plan**

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

**Recommendations:** 1) Adopt a **Redevelopment Agency Resolution** approving and transmitting to the Sacramento City Council the proposed Fifth Amendment to the Richards Boulevard Redevelopment Plan; and 2) adopt an **Ordinance** approving the Fifth Amendment to the Richards Boulevard Redevelopment Plan to repeal the time limit on indebtedness.

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

**Presenter:** Rachel Hazlewood, Sr. Economic Development Project Manager

**Department:** Economic Development

**Organization No:** 4451

**Description/Analysis**

**Issue:** The Richards Boulevard Redevelopment Plan ("Plan" or "Redevelopment Plan") was adopted by the City Council on July 19, 1990. Subsequent amendments to the Plan established various time limits, extended the Project Area boundaries, and extended the term of the Plan and eminent domain authority. As a result of these amendments, the Redevelopment Plan expires in 2026 while the time limit on indebtedness expires in 2010. The purpose of this Fifth Amendment is to repeal the 2010 deadline on indebtedness to allow the Agency to continue to issue loans, advances and bond indebtedness for the full term of the Redevelopment Plan. This will allow the Agency to continue to implement the Redevelopment Plan and undertake actions to eliminate blight and

blighting conditions.

The California Community Redevelopment Law (CRL) requires that the City Council/Redevelopment Agency Board hold a public hearing on the Fifth Amendment to the Richards Boulevard Redevelopment Plan. A notice of the Public Hearing for this Fifth Amendment was sent to all affected taxing entities and published in a newspaper of general circulation. The River District Board of Directors has been informed of the Amendment.

**Policy Considerations:** The proposed Amendment conforms to the General Plan of the City of Sacramento and is consistent with the adopted Richards Boulevard Redevelopment Plan. This Amendment does not change the Project Area's boundaries or any of the land uses in the Redevelopment Plan. It also does not change the existing pass-through agreements with affected taxing entities. CRL allows for waiver of the formal redevelopment plan amendment process for eliminating the debt time limit.

The CRL requires that the Agency Board approve a resolution approving the Fifth Plan Amendment and transmit it to the City Council for its consideration. The City Council would then adopt the Fifth Plan Amendment through an ordinance.

**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.

**Rationale for Recommendation:** In September 2004, the City Council adopted findings that significant blight remains in the Richards Boulevard Redevelopment Project Area and the Agency needs to continue its redevelopment efforts. Section 33333.6(e)(2)(B) of the California Community Redevelopment Law (CRL) authorizes amendments to redevelopment plans adopted prior to January 1, 1994 to eliminate the time limit on the establishment of indebtedness so that the time limit will become the same as the Redevelopment Plan term. By repealing the time limit on indebtedness, the Agency will be able to continue to implement the Redevelopment Plan and continue to fund programs to eliminate blight by establishing loans, advances and other indebtedness.

**Financial Considerations:** The recommended action will have no financial implication. Section 33607.7 of the CRL requires that the Agency continue to make payments to affected taxing agencies pursuant to its existing pass-through agreements. Future specific projects will be brought to the Agency Board for approval. The minor costs associated with the public noticing for the public hearing have been funded through the Downtown Development Group operating budget.

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**Emerging Small Business Development (ESBD):** No goods or services are being purchased as a result of this action.

Respectfully Submitted by: David Harzoff  
David Harzoff  
Economic Development Manager  
on behalf of the Redevelopment Agency  
of the City of Sacramento

Recommendation Approved:

Ray Kerridge  
Ray Kerridge  
City Manager

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**RESOLUTION NO. 2007-\_\_\_\_\_**

Adopted by the Redevelopment Agency of the City of Sacramento

**APPROVING AND TRANSMITTING TO THE CITY COUNCIL OF THE CITY OF  
SACRAMENTO THE PROPOSED FIFTH AMENDMENT TO THE  
RICHARDS BOULEVARD REDEVELOPMENT PLAN  
TO REPEAL TIME LIMIT ON INDEBTEDNESS**

**BACKGROUND**

- 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 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.
- J. The Agency is required to submit to the City Council the proposed amendment to the Redevelopment Plan for its consideration.

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

Section 1. The purpose and intent of the Agency 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 proposed Fifth Amendment to the Redevelopment Plan would amend Section 504, Time Limit on Establishment of Indebtedness 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 3. The Agency hereby approves the Redevelopment Plan amendment and recommends adoption by the City Council.

**ORDINANCE NO. 2007 - \_\_\_\_\_**

**ADOPTED BY THE SACRAMENTO CITY COUNCIL**

Date Adopted

**AN ORDINANCE 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' 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.