RESOLUTION NO. 2007- 045

Adopted by the Redevelopment Agency
of the City of Sacramento

August 14, 2007

ADOPTIING THE REPLACEMENT HOUSING PLAN FOR 1022 AND 1030 DEL PASO BOULEVARD LOCATED IN THE NORTH SACRAMENTO REDEVELOPMENT AREA

BACKGROUND:

A. On March 9, 2005, the Redevelopment Agency of the City of Sacramento acquired the property at 1030 Del Paso Boulevard in the North Sacramento Redevelopment Area.

B. On April 26, 2006, the Redevelopment Agency of the City of Sacramento acquired the real property at 1022 Del Paso Boulevard in the North Sacramento Redevelopment Area.

C. Since the residential units on both properties were in poor condition, the Agency determined that demolishing the structures and transferring the properties to a developer and redeveloping them with a high-density, residential mixed-use project was the highest and best use for the site.

D. In May 2006, the structure at 1030 Del Paso Boulevard was demolished and on November 14, 2006, the structures at 1022 Del Paso Boulevard were demolished.

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 environmental findings regarding this action are approved.

Section 2: Pursuant to and consistent with the requirements of California Health & Safety Code Section 33413, the Replacement Housing Plan (Exhibit A) is adopted to replace the loss of the affordable one two-bedroom unit and the one four-bedroom unit located at 1022 and 1030 Del Paso Boulevard, respectively.

Section 3: Both units will be replaced on a one-to-one basis outside the North Sacramento Redevelopment Area with housing units at 3534 and 3538 Rio Linda Boulevard in the Del Paso Heights Redevelopment Area in Council District 2.

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Exhibit A – Replacement Housing Plan

Adopted by the Redevelopment Agency of the City of Sacramento on August 14, 2007 by the following vote:

Ayes: Councilmembers Fong, Hammond, McCarty, Pannell, Sheedy, and Tretheway.

Noes: None.

Abstain: Mayor Fargo.

Absent: Councilmembers Cohn and Waters.

Mayor, Heather Fargo

Attest:

Shirley Concolino, City Clerk

Exhibit A

Replacement Housing Plan
for One Low- and One Moderate-Income Dwelling Unit

1022 and 1030 Del Paso Boulevard

Property Descriptions

The property at 1022 Del Paso Boulevard is located adjacent to the Globe Light Rail Station in the North Sacramento Redevelopment Area. It contained two structures: a vacant, fire-damaged house which was converted to commercial use and a single family house that was formerly occupied by the property owner.

The property at 1030 Del Paso Boulevard, the former Nightingale Gilmore Funeral Chapel, is located near the Globe Light Rail Station. The site contained an operating funeral parlor, a single family home and an in-law unit.

Project Status

Upon successful acquisition of these properties, the residential units at 1022 and 1030 Del Paso Boulevard were demolished and the site is being prepared for a mixed-use development project.

Responsibility of Agency

California statutes require redevelopment agencies to replace low and moderate-income housing lost to residential use if that action involved either a development agreement or financing by the Agency. The specific provision of the California Health and Safety Code (Sec. 33413) is as follows:

> "Whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as a part of a redevelopment project which is subject to a written agreement with the agency or where financial assistance has been provided by the agency, the agency shall, within four years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to person and families of low or moderate income, an equal number of replacement dwelling units which have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency. When dwelling units are destroyed or removed after September 1, 1989, 75 percent of the replacement dwelling units shall replace dwelling units available at affordable housing cost in the same income level of very

low income households, lower income households, and persons and families of low and moderate income, as the persons displaced from those destroyed or removed units. When dwelling units are destroyed or removed on or after January 1, 2002, 100 percent of the replacement dwelling units shall be available at affordable housing cost to persons in the same or a lower income category (low, very low, or moderate), as the persons displaced from those destroyed or removed units."

Replacement Housing Needs

State Guidelines

Because the acquisition 1022 and 1030 Del Paso Boulevard included the use of local redevelopment tax increment funds, the project is subject to state replacement housing law, California Health and Safety Code 33413. Under state law, if a unit was occupied by a very low-, low- or moderate-income family (regardless of actual housing costs), and taken off line through demolition or other actions, that unit must be replaced at the same income level, and must be regulated at that affordability level for the longest feasible time as determined by the Agency but for not less than the period of the land use controls established in the Redevelopment Plan. State law requires that replacement units be created within four years of removal or destruction.

The Sacramento Housing and Redevelopment Agency has replaced the residential units located at 1022 and 1030 Del Paso Boulevard within the required four-year time period.

The affordability level, type and number of units/bedrooms required to replace the one two-bedroom unit at 1022 Del Paso Boulevard and the one four-bedroom unit at 1030 Del Paso Boulevard, is based on the following assumptions:

- The unit at 1022 Del Paso Boulevard was occupied by a moderate-income household (80 percent or below Area Median Income [AMI]).
- The unit at 1030 Del Paso Boulevard was occupied by a low-income household (50 percent or below AMI).
- The Agency has replaced the unit at 1022 Del Paso Boulevard at the following affordability level:
  - One four-bedroom unit at an affordability level of 80 to 120 percent of the AMI (moderate-income).
- The Agency has replaced the unit at 1030 Del Paso Boulevard at the following affordability level:
  - One four-bedroom unit at an affordability level of 50 to 80 percent of the AMI (low-income).

Replacement Dwelling Units

The Agency has replaced the moderate-income, two-bedroom and low-income, four-bedroom units with comparable four-bedroom homes at 3534 and 3538 Rio Linda Boulevard in the Del Paso Heights Redevelopment Area. These newly constructed and recently sold homes are located in Council District 2. Both replacement units are located outside the North Sacramento Redevelopment Project Area, and have recorded affordability restrictions attached that will be regulated for 45 years.

Article XXXIV

The County of Sacramento is currently in compliance with its requirements under the California Constitution, Article XXXIV. The project being used as replacement housing for the units located at 1022 and 1030 Del Paso Boulevard in Sacramento, California is within the current allocation and does not require a vote of the public.

Schedule for Demolition

The units at 1022 and 1030 Del Paso Boulevard were demolished by the Agency in October 2006 following acquisition of the properties.