



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

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 9, 2007

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

Title: Transfer of Service Court Ownership Interest to City of Sacramento and
Authorization of License Agreement with Ebner/Empire, LLC

Location/Council District: K Street and Firehouse Alley (between Second and First
streets), Old Sacramento Historic District, Council District 1

Recommendation: Adopt a **Redevelopment Agency Resolution:** 1) designating the
service court behind the former Ebner/Empire Hotel site at 116 and 118 K Street (APN
006-0072-030/031) as surplus property to the Redevelopment Agency; 2) authorizing
the transfer of the Agency's interest in the property to the City of Sacramento.

Adopt a **City Resolution:** 1) Approving the transfer of the Agency's interest in the
Ebner/Empire Hotel service court; 2) authorizing the City Manager, or his designee, to
enter into a License Agreement with Ebner/Empire, LLC for a fifty-five year term for the
use of the service court adjacent to 116 and 118 K Street for vehicle and pedestrian
access to and from 116 and 118 K Street.

Contact: Sheri Smith, Economic Development Project Manager, 808-7204; Leslie
Fritzsche, Downtown Development Manager, 808-7223

Presenters: n/a

Department: Economic Development Department

Division: Downtown Development

Organization No: 4451

Description/Analysis

Issue: In the 1970s and 1980s fifteen small parcels of land were purchased as
part of a service court plan as locations for Old Sacramento property owners and
merchants to place their waste receptacles, with the intent to eventually have
consolidated waste hauling service for all of Old Sacramento. Over the past
years, some of the service courts were constructed and others remained
undeveloped. One undeveloped service court is located on a parcel adjacent to
the Ebner/Empire site off Firehouse Allee (the north-south alley between 2nd and
Front streets) just south of K Street (see location map and service court map

included as Attachments 1 and 2, respectively). The Agency has 57.1% ownership in the parcel with the balance owned by other adjacent owners i.e., MWM Partnership (11%) and Robert C. Cook (31.9%).

The service court is a parcel with dimensions of 44 feet by 29 feet totaling approximately 1,273 square feet. Based on its small size and location off of the alley it is not suitable for redevelopment purposes. The service court parcels were purchased by the Redevelopment Agency approximately thirty years ago and according to redevelopment law, the Agency should not hold property for the long term. Therefore staff is recommending that the City accept transfer of the Agency's interest in this parcel and utilize it for the benefit of Old Sacramento over the long term.

In 2005, the Economic Development Department, acting as the agent of the Agency, issued a Request for Qualifications (RFQ) to reconstruct buildings in Old Sacramento. A team consisting of Carson Development and The Scurfield Company (Ebner/Empire, LLC hereafter "Developer") was selected to reconstruct the Ebner-Empire Hotel located at 116 and 118 K Street in Old Sacramento. In 2006, the Agency approved a Disposition and Development Agreement with the Developer. Since that time the Developer has been finalizing plans for the project. The 26,000 sq. ft. building will have ground-floor retail and two floors of office. The façade will replicate the original Ebner/Empire Hotels as designated by the Old Sacramento Historic District.

One issue that has developed is the need to secure vehicular access to the rear of the proposed structure to allow for underground parking. The alley slopes at such a steep angle from K Street south that access to the proposed garage area could not be accomplished from other locations. This access can be gained across the service court. The service court pad lies 85 feet to the south of K Street and is at a relatively level point in the alley. This allows the only opportunity for vehicular access to the planned lower-level garage area for the reconstructed Ebner/Empire Hotel.

Staff is recommending execution of a License Agreement with the Developer to allow for vehicular access across the paved court area. If the transfer to the City is authorized, the City, as a tenant in common, can enter into a License Agreement authorizing the use of the service court. The proposed License Agreement is included as Attachment 3. This agreement would have a term of 55 years.

Policy Considerations: The actions outlined in this report are consistent with the 2004 Old Sacramento Strategic Plan where the City is defined as a long-term partner in the planning, management, and maintenance of Old Sacramento.

Allowing for vehicular access over the service court may impact some potential use for waste receptacles/dumpsters. An additional service court is located across Firehouse Allee to the west. This space currently contains a brick patio. Should the need arise, the patio would be reconfigured to mitigate the impact

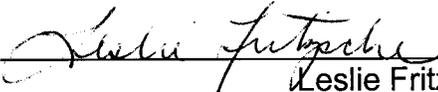
and accommodate trash receptacles for the property owners and merchants on the block.

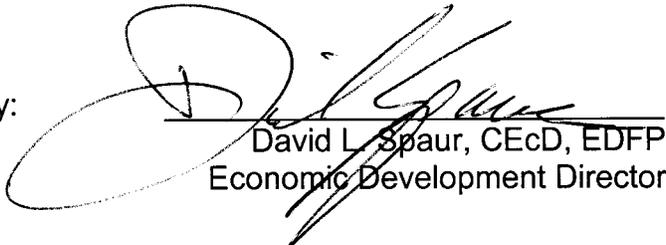
Environmental Considerations: Acceptance of the Agency interest by the City without a change to the existing condition or use of the Agency parcel does not constitute a "project" requiring environmental review pursuant to Public Resources Code Section 21065. Alternatively, the transfer of the agency interest to the City is exempt from CEQA review pursuant to CEQA Guideline 15312. The licensing of public facilities without expanding existing uses is exempt from CEQA review pursuant to CEQA Guideline 15301.

Rationale for Recommendation: The parcel is not an adequate size or in a location to be utilized for redevelopment. The City has a long history of involvement and maintenance in Old Sacramento and is identified as a long-term partner in the 2004 Old Sacramento Strategic Plan. The City can utilize the parcel as a service court and access point for the long term.

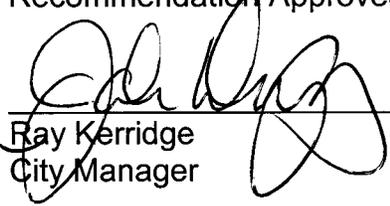
Financial Considerations: The transfer of the Service Court will result in no new property taxes and minimal to no maintenance costs. The Ebner LLC license will not create additional cost to the City because it requires the Ebner Empire LLC to repair any damage caused by their usage. Funding for the Ebner project was allocated by the Agency in February 2006 through a Disposition and Development Agreement with the Developer. No additional funding is requested as part of this report.

Emerging Small Business Development (ESBD): None

Respectfully Submitted by: 
Leslie Fritzsche
Downtown Development Manager
on behalf of the Redevelopment Agency
of the City of Sacramento

Approved by: 
David L. Spaur, CEcD, EDFP
Economic Development Director

Recommendation Approved:



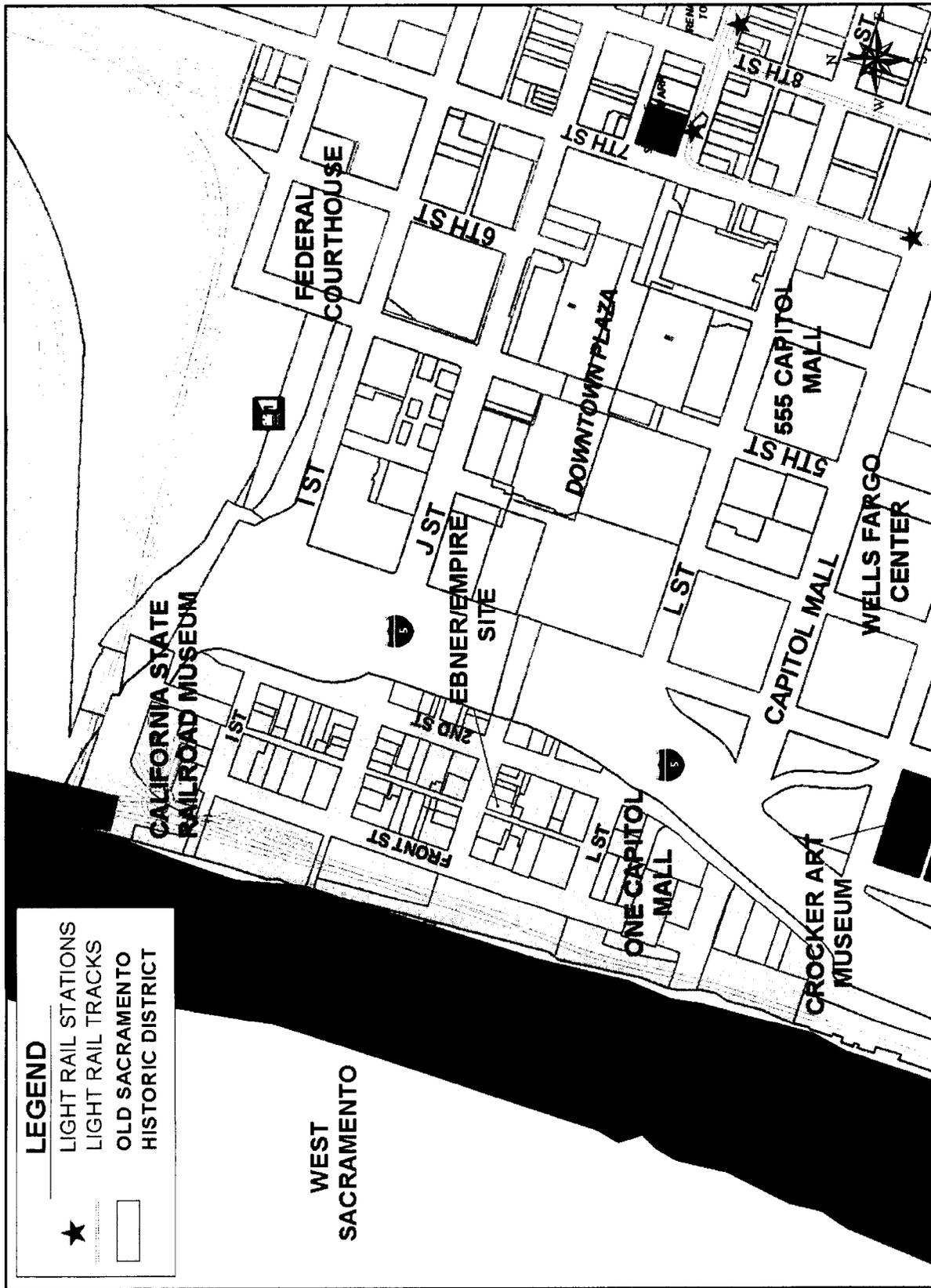
Ray Kerridge
City Manager

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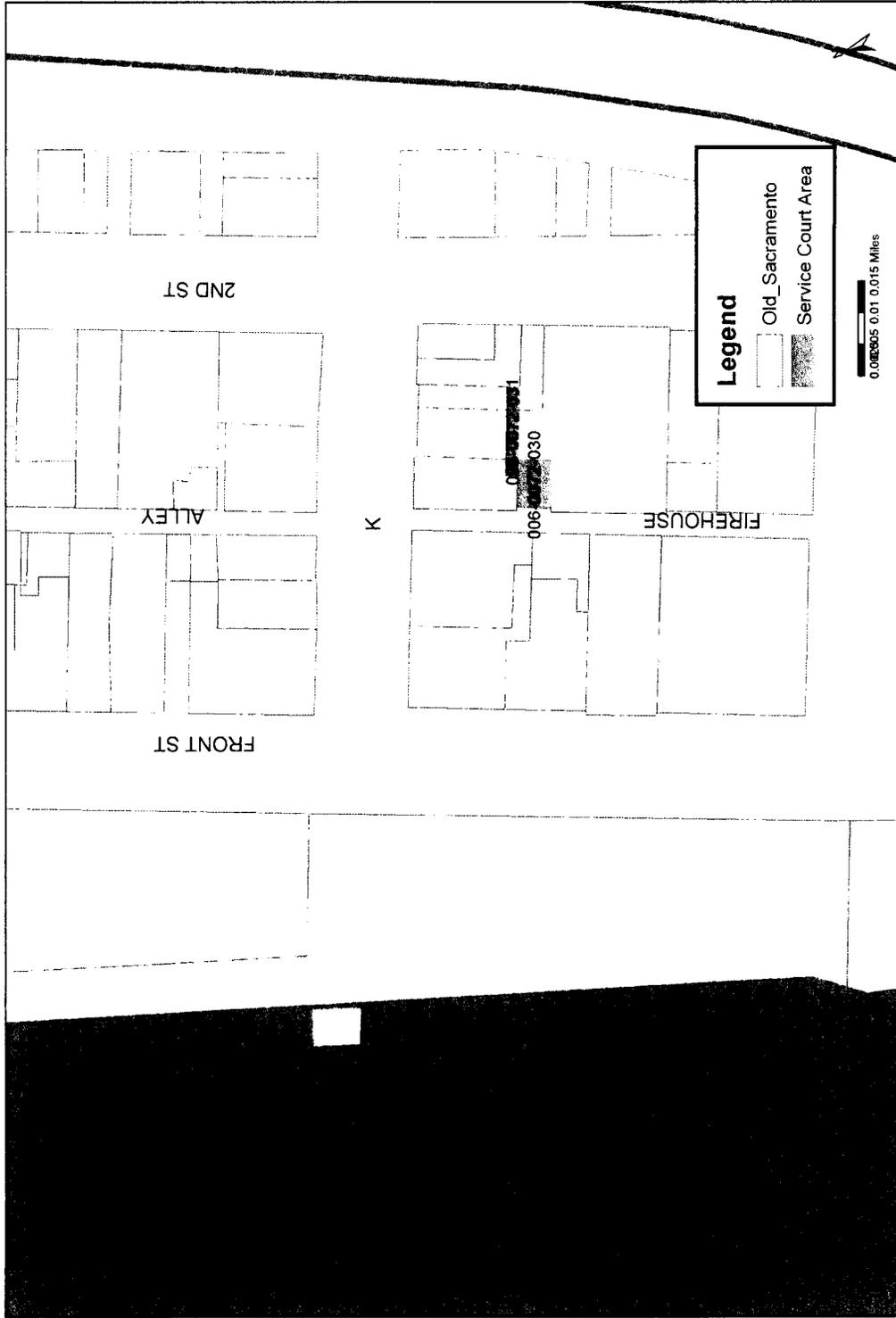
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LOCATION MAP

Attachment 1



Old Sacramento Service Court Site Location



**Attachment 3
License Agreement**

LICENSE

This License ("License") dated as of _____ is entered into between the City of Sacramento, a California charter municipal corporation (the "City") and Ebner/Empire, LLC ("Licensee").

RECITALS

WHEREAS, Licensee owns the real property commonly known as 120 K Street, Sacramento which is currently an undeveloped lot and is the former location of the Ebner Hotel ("Development Parcel");

WHEREAS, subject to any and all environmental approvals and any and all permit requirements, Licensee intends to construct an office building at 120 K Street, Sacramento including a below ground parking area;

WHEREAS, the City, along with MWM Partnership, and Robert C. Cook own a service court adjacent to 120 K Street, Sacramento as tenants in common;

WHEREAS, the City, as a tenant in common can enter into a license agreement authorizing the use of the service court;

WHEREAS, Licensee desires to use the service court for vehicle access to the proposed underground parking area below 120 K Street, Sacramento; and

WHEREAS, the City and Licensee desire to enter into this license to allow Licensee to use the service court to access the proposed underground parking area below 120 K Street, Sacramento on the terms and conditions within.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, City and Licensee agree as follows:

1. Definition of Licensee. For the purposes of this Agreement, all references in this Agreement to the Licensee shall include the Licensee's contractors, representatives and agents, and others acting under the Licensee's authority.
2. Use. The City hereby grants to the Licensee the right, during the term hereinafter stated and upon and subject to each and all of the terms, provisions and conditions herein contained, to enter upon and have ingress to and egress over the service court adjacent to 120 K Street, Sacramento (the "Property") more particularly described in the legal description attached hereto and included herein as Exhibit A and identified on the map attached as Exhibit B for the purpose of vehicle (including trash removal vehicles) and pedestrian access to the underground parking area below 120 K Street, Sacramento. Licensee does not have the right to park vehicles on the service court, store any materials on the service court or block the service court in any manner.
3. Term. The grant of rights herein made to Licensee shall commence upon the execution of this Agreement by the parties and payment of the license fee and shall end Fifty-five (55) years thereafter.
4. License Fee. Licensee shall pay a license fee in the amount of one dollar (\$1.00), for use of the Property.
5. Insurance.
 - A. During the term of this License, Licensee shall purchase at its sole cost and expense and maintain in full force the following insurance coverage:
 - (i) General Liability Insurance on ISO Form CG00011093 or an equivalent form, covering liability arising from Property, operations,

independent contractors, personal injury, products completed, operations and liability assumed under any insured contract. The amount of the policy shall not be less than One Million Dollars (\$1,000,000), Single Limit Per Occurrence, issued by an admitted insurer, or insurers, with a Bests' rating of no less than A:VII, as defined by the California Insurance Code, providing that the City of Sacramento, its officers, employees, agents, and volunteers are to be named as "Additional Named Insured's" under the policy, and the policy shall stipulate that this insurance will operate as Primary Insurance and that no other insurance effected by The City, or other Named Insured, will be called on to contribute to a loss covered there under.

- (ii) Worker's Compensation and Employer's Liability Insurance for all employees of Licensee shall be maintained in strict compliance with State laws. Employer's Liability Insurance limit shall be not less than One Million Dollars (\$1,000,000).
- (iii) On all its personal property, Licensee's improvements, and alterations, in on, or about the Property, a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of one hundred percent (100%) of the full replacement value. The proceeds from any such policy shall be used by Licensee for the replacement of personal property or the restoration of Licensee's improvements or alterations.

- B. Licensee shall furnish the City with certificate(s) of insurance and with original endorsements effecting coverage required by this Paragraph 5. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be forward to the City's Risk Management Division, 915 I Street, Fourth Floor, Sacramento, CA 95814-2604, prior to the execution of this License. Failure to provide such certificate(s) and keep such certificate(s) updated will be considered a material breach by Licensee of this License and will be grounds for termination of this License. Said policies shall provide that no cancellation, change in coverage, or expiration by the insurance company or the insured shall occur during the term of this License without thirty (30) days' written notice to the City prior to the effective date of such cancellation or change in coverage.
- C. It is understood and agreed that approval of said policies shall in no way affect the terms and conditions of the indemnity and hold harmless clauses in this Agreement which shall remain in full force and effect.
- D. By requiring the insurance herein, the City does not represent that the coverage and limits will necessarily be adequate to protect Licensee and such coverage and limits shall not be deemed as a limitation on Licensee's liability under the indemnities granted to the City in this Agreement.
- E. Licensee agrees to waive all rights against the City and its agents, officers, directors and employees for recovery of damages to the extent

these damages are covered by the insurance maintained pursuant to this Paragraph 5.

6. Indemnity.

- A. Licensee shall indemnify, defend and hold harmless the City, and the City's agents, Officers, servants, employees, contractors assigns, and volunteers from and against any and all claims, causes of action, suit, or damages (including attorney's fees, whether for outside counsel or the City Attorney, costs, and expenses incurred in connection therewith) for death or injury to persons or for loss of or damages to property arising out of or in connection with the possession, use and/or occupancy of the Property by Licensee, its agents, servants, employees, contractors, assigns, volunteers and Sub-Licensees or invitees or the activities conducted under this License by Licensee, its agents, servants, employees, contractors, assigns, volunteers and Sub-Licensees or invitees; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the direct supervision and control of Licensee.
- B. Licensee agrees to assume all risks of loss or damage to property and injury, or death to persons by reason of or incident to the possession, use and/or occupancy of the Property, or the activities conducted under this

License by Licensee its agents, servants, employees, contractors, assigns, volunteers Sub-Licensees or invitees. Licensee expressly waives all claims against the City for any such loss, damage, personal injury or death caused by or occurring as a consequence of such possession and/or use of the Property or the conduct of activities or the performance of responsibilities under this License. Licensee further agrees, to the extent permitted by applicable law to indemnify, save, and hold harmless the City, its officers, agents, employees, and volunteers from and against all suits, claims, demands or action, liabilities, judgments, costs and attorneys' fees arising out of, or in any manner predicated upon personal injury, death or property damage resulting from, related to, caused by or arising out of the possession and/or use of the Property or any activities conducted or services furnished in connection with or pursuant to this License by Licensee its agents, servants, employees, contractors, assigns, volunteers Sub-Licensees or invitees; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of City, its agents, servants, or independent contractors who are directly responsible to City, except when such agents, servants, or independent contractors are under the direct supervision and control of Licensee.

7. Taxes. Licensee shall, in addition to all other sums agreed to be paid under this License, pay to the County of Sacramento all personal property taxes which shall be levied against the personal property of the Licensee. Licensee is also

responsible for the payment of all real property taxes, levies and assessments levied upon Licensee's right to use the Property or any possessory property interest obtained by the Licensee including, but not limited to, possessory interest tax. Pursuant to Section 107.6 of the California Revenue and Taxation Code, there may be a possessory interest tax levied by virtue of this License.

8. Alterations. To the extent authorized by law and in compliance with any legal requirements, Licensee shall complete the improvements set forth in Exhibit C, attached hereto, but shall not make any other improvements, alterations, additions or changes to the Property without the prior written consent of the City.
9. Trash Enclosure. Licensee acknowledges that City intends to construct and operate one or more trash enclosures on the portion of the Property that Licensee is not using for pedestrian and/or vehicle access.
10. Maintenance and Repair. Licensee shall keep the service court free of debris and trash generated by Licensee to the reasonable satisfaction of the City. Licensee shall repair damage to the pavement resulting from Licensee's acts to the reasonable satisfaction of the City.
11. Liens and Mortgages. Licensee may encumber its interest in this License to a lender ("Lender") as part of the financing of the development of the Development Parcel. Such encumbrance shall comply with the restrictions on encumbering the Development Parcel under the Disposition and Development Agreement between Licensee and the Redevelopment Agency of the City of Sacramento, dated February 14, 2006, and recorded _____ in the Sacramento County Recorder's Office ("DDA"). The Lender shall have the same rights of a Development Parcel lender contained in Section 13 of the DDA. Other

than as provided above, Licensee shall not engage in any financing or other transaction creating any mortgage upon the Property; place or suffer to be placed upon the Property any lien, including mechanics' lien or materialmen's lien, or other encumbrance; or suffer any levy or attachment to be made on the Licensee's interest in the Property. Any such mortgage, encumbrance, or lien shall be deemed to be a violation of this condition and constitute a failure to comply with the terms of the License on the day of its execution or filing of record regardless of whether or when it is foreclosed or otherwise enforced.

12. Insurance Hazards. No use shall be made or permitted to be made of the Property, nor acts done, which will increase the existing rate of insurance upon the Property, or cause a cancellation of any insurance policy covering said Property, or any part thereof, nor shall Licensee sell, or permit to be kept, used, or sold, in or about the Property, any article which may be prohibited by the standard form of fire insurance policies. Licensee shall, at its sole cost and expense, comply with any and all requirements, pertaining to the Property, of any insurance organization or company, necessary for the maintenance of reasonable fire and public liability insurance, covering the Property including all buildings and appurtenances.
13. No Warranties. The City makes no representation or warranty of any kind, express or implied, as to the suitability of the Property for the specified use. The Licensee represents and warrants that it has independently made a full and thorough investigation and examination of the Property and that it is entering into this License relying only upon facts ascertained from said independent investigation.

14. Right of Entry. The City reserves the right to enter the Property at reasonable times to carry out any building management or business purpose in or about the Property. The City, at City's sole discretion, may make a detailed and formal inspection and evaluation annually to ensure compliance with this License by Licensee. Each such inspection will be followed by a report in writing with a copy given to the Licensee.
15. Compliance with Law.
 - A. Licensee shall, at its sole cost and expense, comply with all of the requirements of all municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to specific activity of Licensee on the Property. The judgment of any court of competent jurisdiction, or the admission of Licensee in any action or proceedings against Licensee, whether the City be a party thereto or not, that Licensee has violated any such ordinance or statute in the use of the Property shall be conclusive of the fact as between the City and Licensee.
 - B. Licensee represents, warrants and covenants that Licensee and any Sub-Licensee will remain in compliance with all applicable federal, state and local laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment ("Environmental Laws"), and that Licensee will not permit to occur any release, generation, storage disposal or treatment of any hazardous material as that term is defined in any of the Environmental Laws. Licensee shall immediately notify the City of any such release, generation, storage, disposal or treatment and Licensee shall take such

necessary remediation measures at Licensee's expense to the complete satisfaction of the City. Licensee shall immediately notify the City of any complaints, citations, inquiries or notices from any governmental entity relating to compliance with Environmental Laws. Licensee represents, warrants and covenants that all governmental permits relating to the use or operation of the Property required by applicable Environmental Laws are and will remain in effect, and Licensee will comply with them.

16. Equal Rights and Nondiscrimination.

- A. Licensee agrees that it shall not make any discrimination, distinction, or restriction on account of sex, color, race, religion, ancestry, handicap national origin, sexual orientation, or any other arbitrary basis contrary to the provisions of Section 51 of the Civil Code of the State of California which is incorporated herein by reference as if set forth herein in full or any City Ordinance prohibiting discrimination.
- B. All provisions of Part 2.8 of Division 3 of Title 2 (Section 12900 through 12996) of the California Government Code (California Fair Employment and Housing Act) are hereby incorporated herein by reference as if set forth herein in full.
- C. The Licensee shall not discriminate in the employment of persons because of race, color, national origin or ancestry, religion, sex, handicap, age, or sexual orientation of such person.

17. Severability. The invalidity of any portion of this License shall not affect the remainder, and any invalid portion shall be deemed rewritten to make it valid so as to carry out as near as possible the expressed intention of the parties.

18. Assignment or Sub-License. Any sub-License granted by the Licensee shall be consistent with all of the terms and conditions of this License and shall terminate immediately upon the expiration of any earlier termination of this License, without any liability on the part of the City to the Licensee or Sub-Licensee. Any Sub-Licensee shall be deemed to have assumed all of the obligations of the Licensee under this License. The Sub-Licensee shall not relieve the Licensee of any of its obligations hereunder. Annually, within thirty (30) days following written request by City, the Licensee shall provide to the City a list of Sub-Licensees, including names, addresses and phone numbers. Licensee may assign this License to any successor owner of the Development Parcel, including a Lender. Any other assignment or subletting of any portion of the Property, whether by operation of law or otherwise, without prior written consent of the City is void and shall be a breach of this License, and at the option of the City, shall terminate this License. Such consent shall be in the sole and absolute discretion or judgment of the City.
19. Notices. Any and all notices or demands by or from the City to Licensee or Licensee to the City shall be in writing. They shall be served either personally or by mail. If served personally, service shall be conclusively deemed made at the time of service. If served by mail, service of notices or demands all be conclusively deemed made as of the time of deposit in the United States mail, postage paid.

Any notice or demand to the City or Licensee may be given to:

THE CITY:

City of Sacramento

City of Sacramento
City Manager's Office
915 I Street, Fifth Floor
Sacramento, CA 95814

with a copy to
City of Sacramento
Facilities and Real Property Management
5730 24th Street, Bldg. 4
Sacramento, CA 95822
Attn: Facilities Manager

LICENSEE:

Ebner/Empire LLC

Johan Otto
Carson Development
1720 Third Street, Suite 202
Sacramento, CA 95814

with a copy to
David Scurfield
The Scurfield Company
1015 27th Street
Sacramento, CA 95816

Any party hereto shall change the address for notice by giving written notice to the other party according to this Section.

20. Attorney Fees. In any action or proceeding by either party to enforce this License or any provision of this License, the prevailing party shall be entitled to recover reasonable attorney fees, whether for outside counsel or the City Attorney, and all other costs incurred.
21. Legal Effect. All obligations of Licensee are expressly made conditions of this License, any breach of which shall, at the option of the City, terminate this License, but only after the City has given notice of such breach to Licensee, and Licensee has failed to cure such breach. Licensee shall immediately commence and diligently proceed to cure the default within thirty (30) days after written notice of default from City or, if reasonable, such longer time as is reasonably necessary to remedy such default if such default cannot reasonably be cured within thirty (30) days for reasons beyond the control of the Licensee, provided that the Licensee shall promptly begin and diligently pursue such cure to completion. If Licensee does not promptly begin and diligently cure the default

within a reasonable time, City may institute proceedings to cure the default, including without limitation, proceedings to compel specific performance by Licensee party. A failure or delay by Licensee to perform any term or provision of this License constitutes a default.

22. Titles. The titles or headings to paragraphs shall have no effect on interpretation of provisions.
23. Successors. The provisions of this License shall apply to and bind the heirs, successors, and assigns of the parties.
24. Waiver. The failure of the City to enforce a provision of this License shall not be deemed a waiver for any purpose.
25. Entire Agreement. This License constitutes the entire agreement, and supersedes any prior written or oral agreements, between the parties with respect to the matters contained herein.
26. Time of the Essence. Time is of the essence in the performance of Licensee's obligations under this License.
27. Amendments. This License may be amended at any time by mutual agreement of the Parties in writing and signed by a duly authorized representative of each of the respective Parties hereto.
28. Governing Law. This License shall be governed by and construed in accordance with California law.
29. Counterparts. This License may be signed in counterparts, each of which shall be deemed an original but all of which, when taken together, shall be one and the same agreement.

The parties have executed this License on the date first written above.

THE CITY:

CITY OF SACRAMENTO,
a municipal corporation

By: _____
CITY MANAGER

APPROVED AS TO FORM:

By: _____
CITY ATTORNEY

Attest:

By: _____
CITY CLERK

LICENSEE:

Ebner/Empire LLC
A California Limited Liability Company

Carson Development

By:  _____
Johan Otto, Member

The Scurfield Company

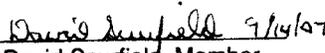
By:  _____
David Scurfield, Member

Exhibit A

Legal Description

Parcel 32-A and Parcel E-1, as shown on the parcel map entitled "east one-half of block bounded by K, L and 2nd Street and the embarcadero", recorded in book 4 of parcel maps, at page 31, records of Sacramento County.

APN: 006-0072-030-0000 and 006-0072-031-0000

Exhibit B

Map

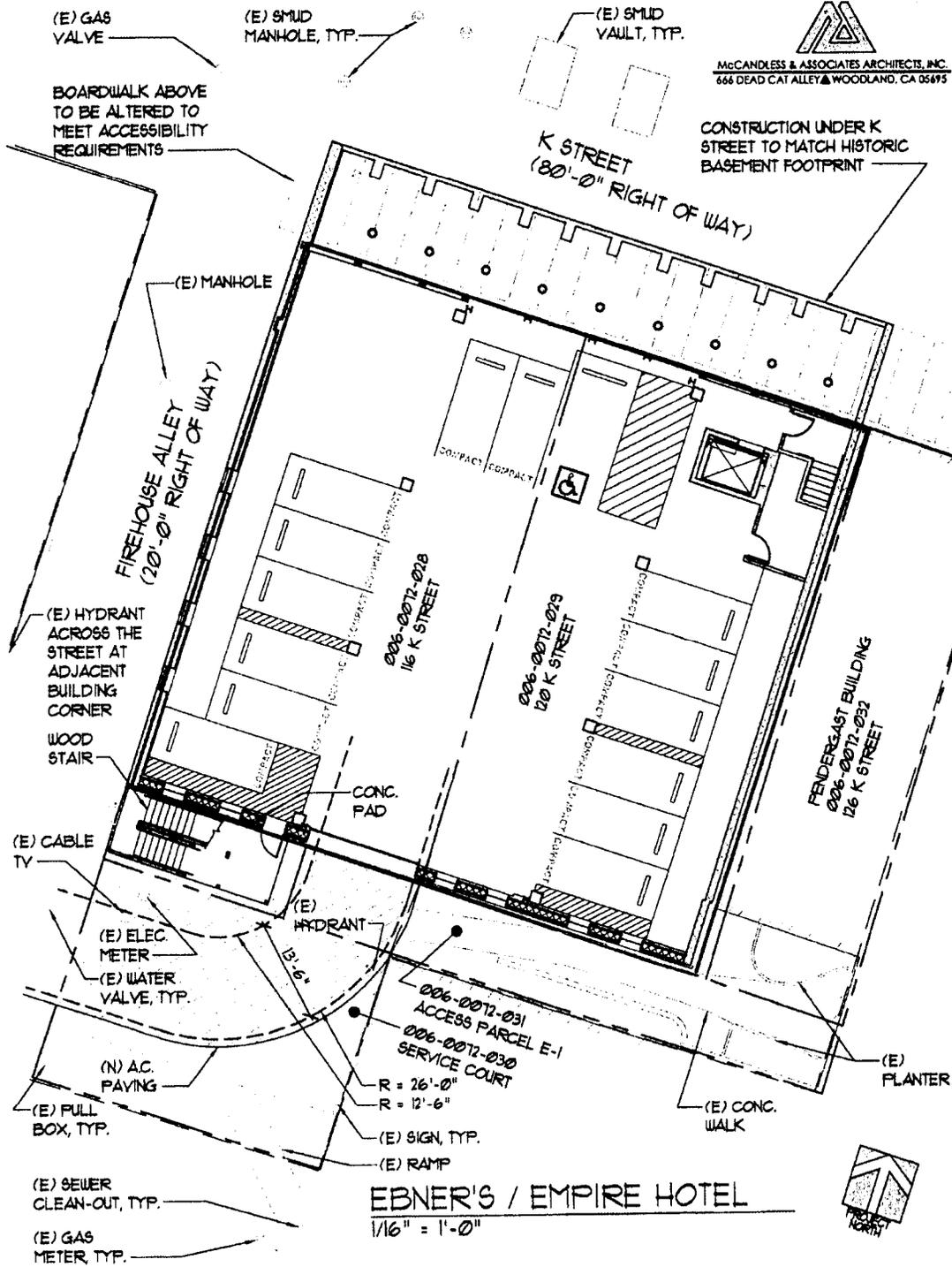


Exhibit C

Licensee Improvements

Concurrent with the improvements required per the Ebner/Empire DDA, dated February 14, 2006, the licensee is authorized to install concrete in the cross hatched area shown on Exhibit B.

**Attachment 4
Agency Resolution**

RESOLUTION NO.

Adopted by the Redevelopment Agency of the City of Sacramento

**APPROVAL OF THE TRANSFER
OF SURPLUS REDEVELOPMENT AGENCY PROPERTY
IN THE MERGED DOWNTOWN REDEVELOPMENT AREA**

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 Agency has ownership interest in certain real property ("Property"), in the Project Area. The property is generally described as the service court adjacent to the Ebner/Empire site off of Firehouse Alley and more particularly described in the legal description: Parcel 32-A and Parcel E-1, as shown on the parcel map entitled "east one-half of block bounded by K, L and 2nd Street and the embarcadero", recorded in book 4 of parcel maps, at page 31, records of Sacramento County. APN: 006-0072-030-0000 and 006-0072-031-0000
- C. The Agency does not hold property for the long term and desires to transfer its interest in the Property to the City of Sacramento for long term use as a Service Court.

**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 Service Court behind the former Ebner/Empire Hotel site at 116 and 118 K Street (APNs 006-0072-030/031) is designated as surplus property to the Redevelopment Agency.
- Section 2. Transfer of Agency interest in the Service Court (APNs 006-0072-030/031) to the City of Sacramento is authorized and the Executive Director of the Agency is authorized to execute any and all agreements, subject to the approval as to form by Agency Counsel, necessary to transfer ownership interest of the Agency parcel to the City.

RESOLUTION NO.

Adopted by the Sacramento City Council

**ACCEPTANCE OF TRANSFER OF REDEVELOPMENT AGENCY INTEREST
IN SURPLUS EBNER/EMPIRE SERVICE COURT PROPERTY
AND LICENSE AGREEMENT FOR USE OF PROPERTY**

BACKGROUND

- A. The Agency has ownership interest in certain real surplus property ("Property"). The property is generally described as the Service Court adjacent to the Ebner/Empire site off of Firehouse Alley in Old Sacramento, with the following legal description: Parcel 32-A and Parcel E-1, as shown on the parcel map entitled "east one-half of block bounded by K, L and 2nd Street and the embarcadero", recorded in book 4 of parcel maps, at page 31, records of Sacramento County. APN: 006-0072-030-0000 and 006-0072-031-0000
- B. The City desires to accept the transfer of Agency ownership interest in the Property and to utilize the property as a Service Court for the long term.
- C. The Ebner/Empire Hotel Project has been identified as a priority project for the City.
- D. Vehicular passage across the service court behind the Ebner/Empire Hotel project has been identified as a critical component to the success of the project.
- E. The City has long-term involvement and maintenance responsibilities in Old Sacramento.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. After due consideration of the facts presented, transfer of Agency interest in the service court (APN 006-0072-030/031) to the City of Sacramento is accepted and the City Manager is authorized to execute any and all agreements, subject to approval as to form by the City Attorney, necessary to transfer ownership interest in the Agency Parcel to the City.
- Section 2. The City Manager, or his designee, is authorized to enter into a License Agreement with Ebner/Empire LLC for a fifty-five year term for the use of the service court adjacent to 116 and 118 K Street for vehicle and pedestrian access to and from 116 and 118 K Street