



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO CITY COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2671

www.CityofSacramento.org

CONSENT

September 20, 2005

Honorable Mayor and
Members of the City Council

Subject: PUBLICATION OF ORDINANCE TITLES FOR AMENDING THE REDEVELOPMENT PLANS FOR THE ALKALI FLAT, DEL PASO HEIGHTS, OAK PARK, AND THE STOCKTON BOULEVARD PROJECT AREAS

Location/Council District:

Alkali Flat Redevelopment Project Area – District 1 and District 3

Del Paso Heights Redevelopment Project Area – District 2 and District 3

Oak Park Redevelopment Project Area – District 5

Stockton Boulevard Redevelopment Project Area – District 5 and District 6

Recommendation:

Staff recommends that the City Council approve the publication of the ordinance titles amending the Redevelopment Plans for the Alkali Flat, Del Paso Heights, Oak Park and Stockton Boulevard Redevelopment Project Areas and continue the items to October 6, 2005 Council meeting.

Contact:

Lisa Bates, Community Development Director, 440-1316

Cynthia Shallit, Management Analyst, 440-1322

Presenters: None.

Department: Sacramento Housing and Redevelopment Agency

Summary:

The attached ordinances on pages 7-14 are presented at this time for approval of publication of title, pursuant to City Charter, Section 32.

PAC/RAC ACTION:

In February of this year, the Alkali Flat, Del Paso Heights, Oak Park, and Stockton Boulevard Redevelopment Advisory Committees approved the 2004 extension and at that time anticipated 2005 extensions to the redevelopment plans. The committees have been informed of this current 2005 extension timeframe and impact.

Commission Action:

At its meeting September 7, 2005, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Burruss, Fowler, Gale, Gore, Hoag, Piatkowski, Shah, Simon, Stivers.

NOES: None.

ABSENT: Burns, Coriano.

Background Information:

The attached ordinances are presented at this time for approval of publication of title, pursuant to City Charter, Section 32. The public hearing to consider adoption of these ordinances is scheduled for October 6, 2005. The process to approve ordinances requires that prior to publication in a local paper to meet legal advertising requirements, the City Council must first pass the item for publication. The City Clerk then transmits the title of the item to the local paper for publication and for advertising the meeting date.

The ordinances are in response to the 2004-05 California State budget, where the State Legislature passed Senate Bill 1096, a trailer bill for local governments, which included a \$250 million shift in statewide redevelopment funds from cities and counties to the State. The redirection of redevelopment funds, known as an Educational Revenue Augmentation Fund (ERAF) shift, had become common with the State which previously requested payments in 1990-93 and 2003-05.

For the City and County of Sacramento combined, the ERAF payment burden is approximately \$2.9 million for fiscal year 2005-06. Acknowledging the burden that the ERAF payment placed on redevelopment agencies to carryout redevelopment activities, SB 1096 also contained a provision for extending the life of redevelopment plans under certain circumstances. The extension of redevelopment plan limitations lessens the impact of the ERAF shift over the long term by enabling each redevelopment area to receive an additional year of tax increment funding and an additional year to repay indebtedness.

Under SB 1096, Redevelopment Plans that have 10 years or less remaining in the year in which payment is made are able to extend the life of the plan for an additional year. Redevelopment Plans that have more than 10 years but less than 20 years remaining, may be extended if there is an adopted Five-Year Implementation Plan, compliance with 20% Housing Fund requirements, and if there is not an excessive surplus of funds. The Project Areas that fit the SB 1096 requirements for this year are Alkali Flat, Del Paso Heights, Oak Park and Stockton Boulevard. (See Attachment I-map)

Each of the Redevelopment Plans for the Project Areas identified above was amended previously on April 5, 2005, for the purpose of extending the life of the plan to lessen the impact of the ERAF shift in 2003. As allowed under SB 1096 for FY 2005-06, this amendment will extend the original plan expiration dates by another year based on the second ERAF payment being made in 2006. The table below outlines the new dates of plan effectiveness for the Redevelopment Project Areas and the amount of funds that will shift to the ERAF in this fiscal year.

<i>Redevelopment Area</i>	<i>Approved 2005-2006 ERAF Shift</i>	<i>New Plan Effectiveness Date</i>
Del Paso Heights	\$150,813	2023
Alkali Flat	\$ 88,932	2015
Oak Park	\$246,275	2016
Stockton Boulevard	\$ 40,856	2027

Financial Considerations:

The one-year extension allows the Alkali Flat, Del Paso Heights, Oak Park and Stockton Boulevard Redevelopment Project Areas to receive an additional year of tax increment funding, an additional year to repay indebtedness, and the ceiling for the cumulative receipt of tax increment funds from the Project Areas will be increased by the amount of the ERAF shift.

No additional requirements are imposed so the plans for each redevelopment area will remain unchanged.

Environmental Considerations:

The potential impacts caused by implementing each redevelopment plan were analyzed in the applicable environmental documents that were certified at the time of plan adoption. Extending the plan terms for one year does not significantly change the circumstances under which redevelopment actions may occur and will not result in any new impact on the environment or require any additional mitigation measures. The proposed action to extend the term of the plan for the purpose of limiting the financial

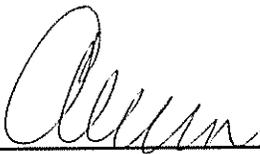
impact the ERAF shift does not constitute a project under the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b)(4), which exempts government fiscal activities which do not involve a commitment to any specific project. NEPA does not apply.

Policy Considerations:

The actions contained in the attached ordinances support the continuation of the affected Alkali Flat, Del Paso Heights, Oak Park and Stockton Boulevard Redevelopment Project Areas, and meet the Agency's goals of eliminating blight and increasing economic opportunities, as well as promoting the City of Sacramento's goal of preserving and enhancing neighborhoods.

M/WBE Considerations:

The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:

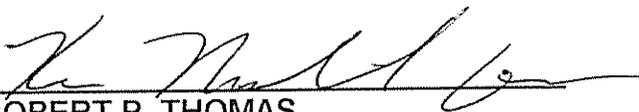
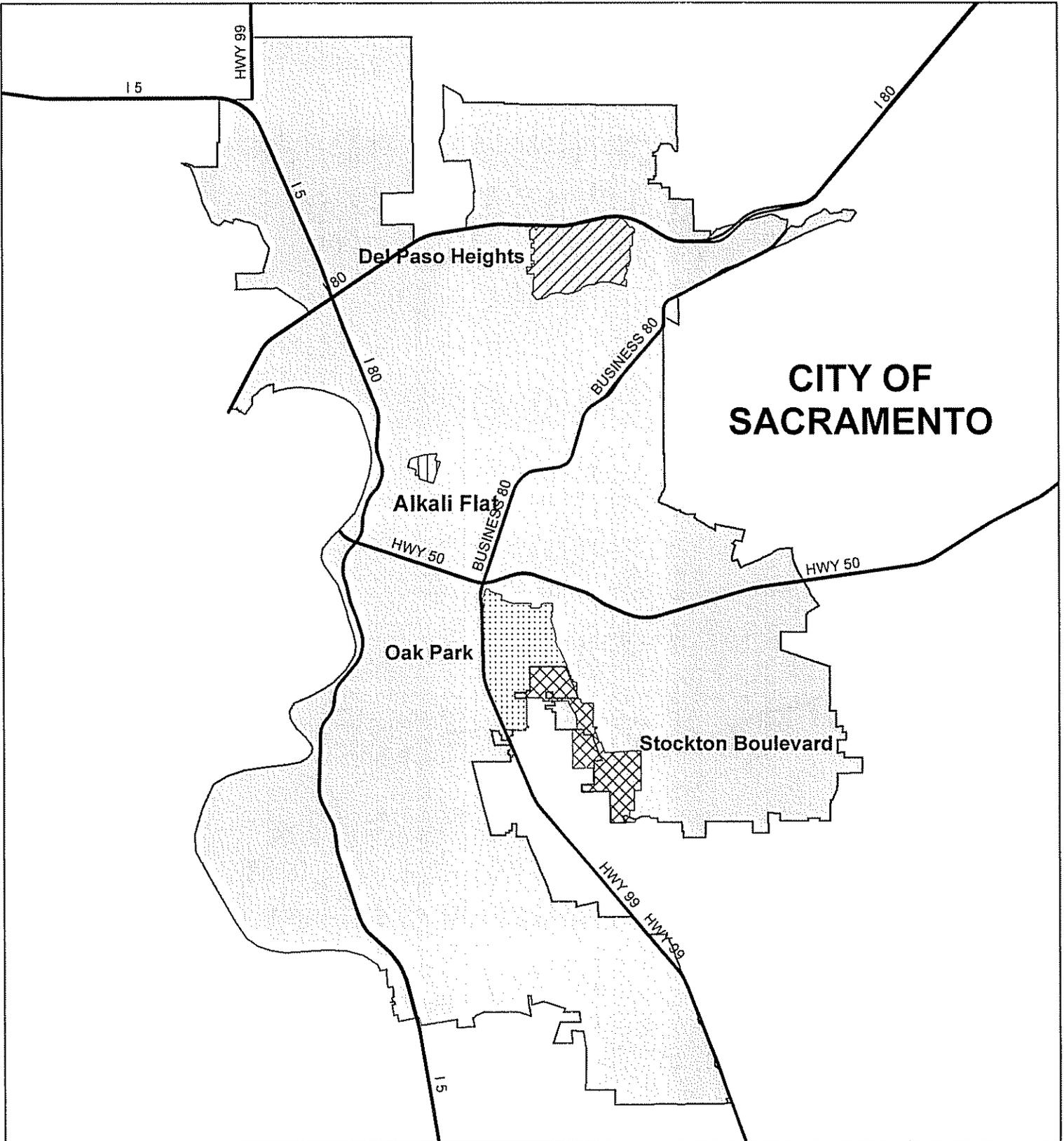

ROBERT P. THOMAS
City Manager

Table of Contents

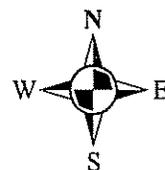
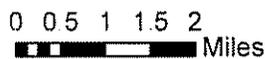
Pg 6	Attachment 1- Map
Pg 7-8	City Ordinance amending Ordinance No. 3086, as subsequently amended, and approving and adopting the Ninth Amendment to the Redevelopment Plan for the Alkali Flat Redevelopment Project
Pg 9-10	City Ordinance amending Ordinance No. 2884, as subsequently amended, and approving and adopting the Ninth Amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project
Pg 11-12	City Ordinance amending Ordinance No. 3278, as subsequently amended, and approving and adopting the Seventh Amendment to the Redevelopment Plan for the Oak Park Redevelopment Project
Pg 13-14	City Ordinance amending Ordinance No. 94-017, as subsequently amended, and approving and adopting the Third Amendment to the Redevelopment Plan for the Stockton Boulevard Redevelopment Project



**Alkali Flat, Del Paso Heights,
Oak Park & Stockton Blvd.
Redevelopment Project Areas**

Legend

-  Oak Park
-  Stockton Blvd
-  Del Paso Heights
-  Alkali Flat



ORDINANCE NO. _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SACRAMENTO AMENDING ORDINANCE NO. 3086, AS
SUBSEQUENTLY AMENDED, ADOPTING THE NINTH AMENDMENT
TO THE REDEVELOPMENT PLAN FOR THE ALKALI FLAT
REDEVELOPMENT PROJECT**

BACKGROUND

- A. The City Council of the City of Sacramento approved and adopted the Redevelopment Plan (Plan) for the Alkali Flat Redevelopment Project Area (Project Area) on February 10, 1972, by Ordinance No. 3086, which was last amended on April 5, 2005;
- B. This Ninth Amendment would extend the Plan term by one year as permitted by the California State Legislature in SB 1096 to lessen the impact of the Educational Revenue Augmentation Fund ("ERAF") requiring the transfer of some Project Area funds to the State;
- C. The potential impacts caused by implementing the Redevelopment Plan were analyzed in the applicable environmental documents that were certified at the time of Plan adoption and amendments;
- D. Extending the Plan term for one year does not significantly change the circumstances under which redevelopment actions may occur, and will not result in any new impacts on the environment or require any additional mitigation measures; and
- E. The proposed action to extend the term of the plans for the purpose of limiting the financial impact of the ERAF shift does not constitute a project under CEQA per Guidelines Section 15378(b)(4), which exempts government fiscal activities which do not involve a commitment to any specific project.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
OF THE CITY OF SACRAMENTO ENACTS AS FOLLOWS:**

Section 1: After due consideration of the evidence presented, the foregoing recitals are true and correct.

Section 2: The term of the Alkali Flat Redevelopment Plan for the Alkali Flat Redevelopment Project Area is hereby extended for a period of one year, to February 2, 2015, thereby allowing the Redevelopment Agency of the City of Sacramento (Agency) to: (i) receive an additional year of tax increment funding generated within the Project Area, (ii) obtain an additional year to repay indebtedness, and (iii) increase in the Tax Increment Ceiling for the Project Area equal to the amount of the ERAF payment from this Project Area tax increment revenues.

Section 3: The Alkali Flat Redevelopment Plan, as adopted by Ordinance No. 3086, is hereby further amended as set forth herein in this Ninth Amendment. All other provisions of Ordinance No. 3086, as previously amended, shall continue in full force and effect.

Section 4: This Ninth Amendment of Ordinance No. 3086 shall be effective thirty (30) days after its adoption and shall be affixed to the Redevelopment Plan as an Amendment to the Plan.

Section 5: The Executive Director of the Agency is hereby authorized to compile the Redevelopment Plan, as amended by this Ninth Amendment, into a single document, and said document, when filed with the City Clerk and the Agency Clerk, shall constitute the official Redevelopment Plan for the Alkali Flat Redevelopment Project.

ORDINANCE NO. _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SACRAMENTO AMENDING ORDINANCE NO. 2884, AS
SUBSEQUENTLY AMENDED, ADOPTING THE NINTH AMENDMENT
TO THE REDEVELOPMENT PLAN FOR THE
DEL PASO HEIGHTS REDEVELOPMENT PROJECT**

BACKGROUND

- A. The City Council of the City of Sacramento approved and adopted the Redevelopment Plan (Plan) for the Del Paso Heights Redevelopment Project Area (Project Area) on May 12, 1970, by Ordinance No. 2884, which was last amended on April 5, 2005;
- B. This Ninth Amendment would extend the Plan term by one year as permitted by the California State Legislature in SB 1096 to lessen the impact of the Educational Revenue Augmentation Fund ("ERAF") requiring the transfer of some Project Area funds to the State;
- C. The potential impacts caused by implementing the Redevelopment Plan were analyzed in the applicable environmental documents that were certified at the time of Plan adoption and amendments;
- D. Extending the Plan term for one year does not significantly change the circumstances under which redevelopment actions may occur, and will not result in any new impacts on the environment or require any additional mitigation measures;
- E. The proposed action to extend the term of the plans for the purpose of limiting the financial impact of the ERAF shift does not constitute a project under CEQA per Guidelines Section 15378(b)(4), which exempts government fiscal activities which do not involve a commitment to any specific project;
- F. The Redevelopment Agency of the City of Sacramento (Agency) has duly adopted an Implementation Plan for the Del Paso Heights Boulevard Redevelopment Area;
- G. The Agency is in compliance with the housing requirements applicable to the Project Area as set out in Health and Safety Code Sections 33334.2 and 33334.6; and

H. The Agency is in compliance with the replacement housing, inclusionary housing and expenditure of housing fund requirements for the Project Area as set out in Health and Safety Code Section 33413.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL OF THE CITY OF SACRAMENTO ENACTS AS FOLLOWS:

Section 1: After due consideration of the evidence presented, the foregoing recitals are true and correct.

Section 2: The term of the Del Paso Heights Redevelopment Plan for the Del Paso Heights Redevelopment Project Area is hereby extended for a period of one year, to May 11, 2023, thereby allowing the Redevelopment Agency of the City of Sacramento (Agency) to: (i) receive an additional year of tax increment funding generated within the Project Area, (ii) obtain an additional year to repay indebtedness, and (iii) increase in the Tax Increment Ceiling for the Project Area equal to the amount of the ERAF payment from this Project Area tax increment revenues.

Section 3: The Del Paso Heights Redevelopment Plan, as adopted by Ordinance No. 2884, is hereby further amended as set forth herein in this Ninth Amendment. All other provisions of Ordinance No. 2884, as previously amended, shall continue in full force and effect.

Section 4: This Ninth Amendment of Ordinance No. 2884 shall be effective thirty (30) days after its adoption and shall be affixed to the Redevelopment Plan as an Amendment to the Plan.

Section 5: The Executive Director of the Agency is hereby authorized to compile the Redevelopment Plan, as amended by this Ninth Amendment, into a single document, and said document, when filed with the City Clerk and the Agency Clerk, shall constitute the official Redevelopment Plan for the Del Paso Heights Redevelopment Project.

ORDINANCE NO. _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SACRAMENTO AMENDING ORDINANCE NO. 3278, AS
SUBSEQUENTLY AMENDED, ADOPTING THE SEVENTH
AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE
OAK PARK REDEVELOPMENT PROJECT**

BACKGROUND

- A. The City Council of the City of Sacramento approved and adopted the Redevelopment Plan (Plan) for the Oak Park Redevelopment Project Area (Project Area) on May 30, 1973, by Ordinance No. 3278, which was last amended on April 5, 2005;
- B. This Seventh Amendment would extend the Plan term by one year as permitted by the California State Legislature in SB 1096 to lessen the impact of the Educational Revenue Augmentation Fund ("ERAF") requiring the transfer of some Project Area funds to the State;
- C. The potential impacts caused by implementing the Redevelopment Plan were analyzed in the applicable environmental documents that were certified at the time of Plan adoption and amendments;
- D. Extending the Plan term for one year does not significantly change the circumstances under which redevelopment actions may occur, and will not result in any new impacts on the environment or require any additional mitigation measures; and
- E. The proposed action to extend the term of the plans for the purpose of limiting the financial impact of the ERAF shift does not constitute a project under CEQA per Guidelines Section 15378(b)(4), which exempts government fiscal activities which do not involve a commitment to any specific project.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL OF THE CITY OF SACRAMENTO ENACTS AS FOLLOWS:

Section 1: After due consideration of the evidence presented, the foregoing recitals are true and correct.

Section 2: The term of the Oak Park Redevelopment Plan for the Oak Park Redevelopment Project Area is hereby extended for a period of one year, to May 29, 2016, thereby allowing the Redevelopment Agency of the City of Sacramento (Agency) to: (i) receive an additional year of tax increment funding generated within the Project Area, (ii) obtain an additional year to repay indebtedness, and (iii) increase in the Tax Increment Ceiling for the Project Area equal to the amount of the ERAF payment from this Project Area tax increment revenues.

Section 3: The Oak Park Redevelopment Plan, as adopted by Ordinance No. 3278, is hereby further amended as set forth herein in this Seventh Amendment. All other provisions of Ordinance No. 3278, as previously amended, shall continue in full force and effect.

Section 4: This Seventh Amendment of Ordinance No. 3278 shall be effective thirty (30) days after its adoption and shall be affixed to the Redevelopment Plan as an Amendment to the Plan.

Section 5: The Executive Director of the Agency is hereby authorized to compile the Redevelopment Plan, as amended by this Seventh Amendment, into a single document, and said document, when filed with the City Clerk and the Agency Clerk, shall constitute the official Redevelopment Plan for the Oak Park Redevelopment Project.

ORDINANCE NO. _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
SACRAMENTO AMENDING ORDINANCE NO. 94-017, AS
SUBSEQUENTLY AMENDED, ADOPTING THE THIRD AMENDMENT
TO THE REDEVELOPMENT PLAN FOR THE STOCKTON
BOULEVARD REDEVELOPMENT PROJECT**

BACKGROUND

- A. The City Council of the City of Sacramento approved and adopted the Redevelopment Plan (Plan) for the Stockton Boulevard Redevelopment Project Area (Project Area) on May 17, 1994, by Ordinance No. 94-017, which was last amended on April 5, 2005;
- B. This Second Amendment would extend the Plan term by one year as permitted by the California State Legislature in SB 1096 to lessen the impact of the Educational Revenue Augmentation Fund ("ERAF") requiring the transfer of some Project Area funds to the State;
- C. The potential impacts caused by implementing the Redevelopment Plan were analyzed in the applicable environmental documents that were certified at the time of Plan adoption and amendments;
- D. Extending the Plan term for one year does not significantly change the circumstances under which redevelopment actions may occur, and will not result in any new impacts on the environment or require any additional mitigation measures;
- E. The proposed action to extend the term of the plans for the purpose of limiting the financial impact of the ERAF shift does not constitute a project under CEQA per Guidelines Section 15378(b)(4), which exempts government fiscal activities which do not involve a commitment to any specific project;
- F. The Redevelopment Agency of the City of Sacramento (Agency) has duly adopted an Implementation Plan for the Stockton Boulevard Redevelopment Area;
- G. The Agency is in compliance with the housing requirements applicable to the Project Area as set out in Health and Safety Code Sections 33334.2 and 33334.6; and

H. The Agency is in compliance with the replacement housing, inclusionary housing and expenditure of housing fund requirements for the Project Area as set out in Health and Safety Code Section 33413.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL OF THE CITY OF SACRAMENTO ENACTS AS FOLLOWS:

Section 1: After due consideration of the evidence presented, the foregoing recitals are true and correct.

Section 2: The term of the Stockton Boulevard Redevelopment Plan for the Stockton Boulevard Redevelopment Project Area is hereby extended for a period of one year, to June 15, 2027, thereby allowing the Redevelopment Agency of the City of Sacramento (Agency) to: (i) receive an additional year of tax increment funding generated within the Project Area, (ii) obtain an additional year to repay indebtedness, and (iii) increase in the Tax Increment Ceiling for the Project Area equal to the amount of the ERAF payment from this Project Area tax increment revenues.

Section 3: The Stockton Boulevard Redevelopment Plan, as adopted by Ordinance No. 94-017, is hereby further amended as set forth herein in this Third Amendment. All other provisions of Ordinance No. 94-017, as previously amended, shall continue in full force and effect.

Section 4: This Third Amendment of Ordinance No. 94-017 shall be effective thirty (30) days after its adoption and shall be affixed to the Redevelopment Plan as an Amendment to the Plan.

Section 5: The Executive Director of the Agency is hereby authorized to compile the Redevelopment Plan, as amended by this Third Amendment, into a single document, and said document, when filed with the City Clerk and the Agency Clerk, shall constitute the official Redevelopment Plan for the Stockton Boulevard Redevelopment Project.