REPORT TO REDEVELOPMENT AGENCY AND CITY COUNCIL

City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Sacramento Housing & Redevelopment Agency

CONSENT
April 11, 2006

Honorable Mayor and
Members of the City Council and Redevelopment Agency of the City of Sacramento

Subject: Administrative Changes to Resolutions for Stockton Boulevard California Infrastructure and Economic Development Bank Loan

Location/ Council District: Stockton Boulevard Redevelopment Area
Council District 6

Recommendation:

Staff recommends that the City Council and the Redevelopment Agency adopt the resolutions on pages 3-8 which reflect administrative changes requested by the California Infrastructure and Economic Development Bank.

Contact: Lisa Bates, Community Development Director, 440-1322
Cynthia Shallit, Redevelopment Management Analyst, 440-1322

Department: Sacramento Housing and Redevelopment Agency

Summary:

This report recommends that the City Council and the Redevelopment Agency of the City of Sacramento (Agency) approve administrative changes to the resolutions previously approved for a loan from the California Infrastructure and Economic Development Bank (Infrastructure Bank) to fund streetscape improvements along Stockton Boulevard within the Stockton Boulevard Redevelopment Project Area.

Background:

On June 21, 2005, the City Council and the Redevelopment Agency approved submitting an application to the Infrastructure Bank to finance streetscape improvements along Stockton Boulevard. The application for $4 million was subsequently approved by the Infrastructure Bank Board on September 27, 2005.

To finalize the funding process, the Infrastructure Bank has requested that we use the attached resolution form. Upon review by Legal Counsel, the content conforms to the matters previously heard, findings made, and actions approved by the City Council and Redevelopment Agency, but revises the preferred format.

Financial Considerations:

There are no changes from the previously approved financial terms.

Policy Considerations:

This action is administrative only in nature.

Environmental Review:

The Infrastructure Bank loan that would fund Phase III Stockton Boulevard Streetscape Improvements was previously determined to be exempt from environmental review under CEQA Guidelines Section 15301(c) because such improvements involve negligible or no expansion of capacity to accommodate vehicular traffic, nor a change in use. NEPA does not apply.

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:

_____
for RAY KERRIDGE
City Manager

Table of Contents

Pg 3 Resolution of the City of Sacramento
Pg 6 Resolution of the Redevelopment Agency of the City of Sacramento

RESOLUTION NO. 2006 -

Adopted by the Sacramento City Council

on date of

MAKING CERTAIN FINDINGS AND APPROVING THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO, AND THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK

BACKGROUND

A. The Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento desire to engage in the Stockton Boulevard Streetscape Project - Phase III (the "Project"), within the Stockton Boulevard Project Area (the "Project Area"), described as follows: Various street hardscape and landscape improvements to Stockton Boulevard.

B. There are insufficient City resources to pay for all of the costs associated with the development and construction of the Project; and

C. The California Infrastructure and Economic Development Bank is prepared to provide a loan in an amount not to exceed four million dollars ($4,000,000) (the "Loan") for development and construction of the Project, to be repaid from tax increment revenues of the Project Area;

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

Section 1. Pursuant to section 33445 of the Health and Safety Code of the State of California, the City makes the following findings in support of the Loan;

(a) The development and construction of the Project is of benefit to the Stockton Boulevard Project Area;

(b) There is no other reasonable means of financing the Project except for tax increment funds; and

(c) The use of tax increment for the Project will result in the elimination of the following blighting conditions, including, but not limited to inadequate public infrastructure and adverse economic conditions, and such tax increment use is

consistent with the Redevelopment Plan adopted by the Borrower on May 17, 1994, and the Five Year Plan for the Redevelopment Project Area adopted by the Borrower on November 30, 2004.

Section 2. The Redevelopment Agency of the City of Sacramento is authorized to enter into the Tax Allocation Loan Agreement (the "Loan Agreement") proposed to be entered into by the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento and the California Infrastructure and Economic Development Bank dated as of June 1, 2006. The aggregate principal amount of the Loan under the Loan Agreement shall not exceed four million dollars ($4,000,000). As executed and delivered, such document shall be in substantially the form presented at this meeting, with such minor additions thereto or minor changes therein as the officers executing such document shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. This resolution shall take effect from and after its passage, approval and adoption.

CERTIFICATION OF RESOLUTION

The undersigned hereby states and certifies:

(1) I am the duly qualified and acting _____ of the City of Sacramento, and, as such, am familiar with the facts herein certified and am fully authorized to certify the same.

(2) Attached hereto is a true, correct and complete copy of the resolution of the legislative body of the Redevelopment Agency of the City of Sacramento (the "Borrower") authorizing the execution and delivery of the Loan Agreement dated as of June 1, 2006 between the Borrower and the California Infrastructure and Economic Development Bank, adopted at a meeting thereof duly held on the date set forth in such resolution, of which meeting all of the members of said governing body had due notice and at which a quorum was present and acting throughout.

(3) I further certify that I have carefully compared the attached copy of the resolution with the original minutes of said meeting on file and of record in my office; that said copy is a true, correct and complete copy of the original resolution duly adopted by said governing body at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since its adoption and is in full force and effect as of the date hereof.

(4) I further certify that in accordance with Government Code section 54954.2, the agenda of the meeting contained a brief description of the resolution to be considered at the meeting, and a copy thereof was posted at least seventy-two (72) hours before the meeting in a location freely accessible to members of the public.

Dated: _____, _____

City of Sacramento

By _____
Clerk

RESOLUTION NO. 2006 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

MAKING CERTAIN FINDINGS, AUTHORIZING THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO, AND THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH

BACKGROUND

A. The Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento desire to engage in the Stockton Boulevard Streetscape Project - Phase III (the "Project"), within the Stockton Boulevard Project Area (the "Project Area"), described as follows: Various street hardscape and landscape improvements to Stockton Boulevard.

B. There are insufficient City resources to pay for all of the costs associated with the development and construction of the Project; and

C. The California Infrastructure and Economic Development Bank is prepared to provide a loan in an amount not to exceed four million dollars ($4,000,000) (the "Loan") for development and construction of the Project, to be repaid from tax increment revenues of the Project Area;

Section 1. Pursuant to section 33445 of the Health and Safety Code of the State of California, the Redevelopment Agency of the City of Sacramento makes the following findings in support of the Loan:

(a) The development and construction of the Stockton Boulevard Streetscape Project - Phase III (the "Project") is of benefit to the Stockton Boulevard Project Area (the "Project Area");

(b) There is no other reasonable means of financing the Project except for tax increment fund;

(c) The use of tax increment for the Project will result in the elimination of the following blighting conditions, including, but not limited to inadequate public infrastructure and adverse economic conditions;

(d) The Project is in compliance with, and such tax increment use is consistent with, the Redevelopment Plan adopted by the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento on May 17, 1994 and the Five Year Plan for the Project Area adopted by the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento on November 30, 2004, and December 7, 2004 respectively.

Section 2. The Executive Director, or her designee, is authorized and directed to execute and deliver the Tax Allocation Loan Agreement (the "Loan Agreement") proposed to be entered into by the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, and the California Infrastructure and Economic Development Bank, to be dated as of June 1, 2006 for and on behalf of the Redevelopment Agency of the City of Sacramento.

Section 3. The Executive Director, or her designee, is hereby authorized and directed, in the name and on behalf of the Redevelopment Agency of the City of Sacramento, to take any and all steps and to execute and deliver any and all certificates, contracts and other documents which they might deem necessary or appropriate in order to consummate the delivery of the Loan Agreement and otherwise to effectuate the purposes of this resolution, including the execution of a tax certificate, and such actions previously taken by the employees of the Redevelopment Agency of the City of Sacramento are hereby ratified and confirmed. As executed and delivered, such document shall be in substantially the form presented at this meeting, with such minor additions thereto or minor changes therein as the officers executing such document shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. This resolution shall take effect from and after its passage, approval and adoption.

CERTIFICATION OF RESOLUTION

The undersigned hereby states and certifies:

(1) I am the duly qualified and acting _____ of the Redevelopment Agency of the City of Sacramento (the "Borrower"), and, as such, am familiar with the facts herein certified and am fully authorized to certify the same.

(2) Attached hereto is a true, correct and complete copy of the resolution of the governing body of the Borrower authorizing the execution and delivery of the Loan Agreement dated as of _____, _____ between the Borrower, the Redevelopment Agency of the County of Sacramento, and the California Infrastructure and Economic Development Bank, adopted at a meeting thereof duly held on the date set forth in such resolution, of which meeting all of the members of said governing body had due notice and at which a quorum was present and acting throughout.

(3) I further certify that I have carefully compared the attached copy of the resolution with the original minutes of said meeting on file and of record in my office; that said copy is a true, correct and complete copy of the original resolution duly adopted by said governing body at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since its adoption and is in full force and effect as of the date hereof.

(4) I further certify that in accordance with Government Code section 54954.2, the agenda of the meeting contained a brief description of the resolution to be considered at the meeting, and a copy thereof was posted at least seventy-two (72) hours before the meeting in a location freely accessible to members of the public.

Dated: _____, _____

Redevelopment Agency of the City of Sacramento

By _____
Nancy Abeels
Clerk