

**Consolidated Annual Performance and Evaluation Reporting**

**January 1, 2007 through December 31, 2007**

**CITY OF SACRAMENTO**

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**ATTACHMENTS**

- A. Resources Expended or Committed and Activities Completed or Committed for Affordable Housing
- B. HOME Match Report
- C. Map of Investments
- D. Del Paso Nuevo Revitalization Strategy Status Report
- E. Performance Measurements System Table
- F. AmeriNational Report
- G. Race and Ethnic Demographics Table
- H. HOPWA Performance Measurement Outcomes (HUD Form40110-D)

**Attached Integrated Data Information System (IDIS) Reports**

- 1. Summary of Activities – (C04PR03)
- 2. Financial Summary (C04PR26)
- 3. Summary of Accomplishments Report (C04PR23)
- 4. Grantee Summary Activity Report (C04PR08)



# Fifth Program Year CAPER

The Consolidated Plan Management Process (CPMP) Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, ADDI and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### Executive Summary

#### Program Year 5 CAPER Executive Summary response:

Annually, the Sacramento Housing and Redevelopment Agency (SHRA) identifies and seeks approval from the Sacramento City Council on specific activities that will be initiated to address the goals and objectives of the 2003-2007 Consolidated Plan (Consolidated Plan) in the One-Year Action Plan. The activities funded in the One-Year Action Plan provide an increased supply of affordable housing units through construction and rehabilitation, preservation of historic properties, opportunities for low- and moderate-income people to become homeowners, job training and education, assistance to homeless persons, community development activities directed toward revitalizing neighborhoods and economic development. All activities undertaken in the One-Year Action Plan meet the goals and objectives of the Consolidated Plan.

The Consolidated Annual Performance and Evaluation Report (CAPER) is prepared by SHRA on behalf of the City of Sacramento. This annual report provides the U.S. Department of Housing and Urban Development (HUD) with an overview of accomplishments being made towards achieving the Consolidated Plan goals and objectives utilizing Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), American Dream Downpayment Assistance Initiative (ADDI), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grant (ESG) funds.

**This CAPER is special.** It captures the accomplishments of the final year of the 2003-2007 Consolidated Plan. As such, the primary emphasis is on results that occurred this past program year; however, it also provides an overview of the scope and depth of the accomplishments through the entire five year (HUD funding) period within the City of Sacramento.

In the five year period, 2003-2007, the City received approximately:

• CDBG	\$33,000,000
• HOME	\$16,000,000
• ADDI	\$ 610,000
• ESG	\$ 1,250,000
• <u>HOPWA</u>	<u>\$ 4,020,000</u>
• <b>Total</b>	<b>\$54,880,000</b>

The City of Sacramento and the Sacramento Housing and Redevelopment Agency and their public and private partners were able to provide considerable housing and community development investments, public services and services to help the homeless with the funds. Listed below are some highlights:

**Housing Accomplishments 2003-2007**

During the five year period the City and its partners:

- Assisted 686 first-time homebuyers
- Rehabilitated 1,871 housing units
- Conducted 5,076 code enforcement cases
- Completed 5 affordable developments with 1,181 units completed

**Community Development Accomplishments 2003- 2007**

- CDBG invested over \$3,200,000 in infrastructure projects
- CDBG invested over \$5,200,000 in 27 Facilities

**Community Services Accomplishments**

- Public services – 152,605 people were assisted with such basics as nutritious meals and training to find employment
- Homeless services
  - 7,903 adults were assisted through the DHA detox facility
  - 4,787 individuals were housed by emergency shelters

Another significant accomplishment is the adoption and start-up implementation of the Ten-Year Plan to End Chronic Homelessness. This massive undertaking seeks to analyze root causes of chronic homelessness in the City of Sacramento and find solutions to help people in this situation.

This CAPER focuses on Year Five - 2007, of the City of Sacramento Five Year Consolidated Plan 2003-2007, but where possible, references are made to the overall accomplishments during the five year period.

Further, this report format aggregates the questions at the beginning of each section followed by narrative discussion of the answers to relevant questions. This is the new HUD format going forward in the CPMPs and differs from past years of the 2003-2007 Consolidated Plan periods. However, as in past years, this 2007 CAPER places program details and results in the attached tables.

## General Questions

1. *Assessment of the one-year goals and objectives:*
  - a. *Describe the accomplishments in attaining the goals and objectives for the reporting period.*
  - b. *Provide a breakdown of the Community Planning and Development (CPD) formula grant funds spent on grant activities for each goal and objective.*
  - c. *If applicable, explain why progress was not made towards meeting the goals and objectives.*
2. *Describe the manner in which the recipient would change its program as a result of its experiences.*
3. *Affirmatively Furthering Fair Housing:*
  - a. *Provide a summary of impediments to fair housing choice.*
  - b. *Identify actions taken to overcome effects of impediments identified.*
4. *Describe other actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.*
5. *Leveraging resources*
  - a. *Identify progress in obtaining "other" public and private resources to address needs.*
  - b. *How Federal resources from HUD leveraged other public and private resources.*
  - c. *How matching requirements were satisfied.*

### **Program Year 5 CAPER General Questions response:**

**This report uses the same format as the past four years to maintain consistency.** SHRA is in the final transition year, 2007, shifting from the previous HUD CAPER format to the new Consolidated Plan Management Process (CPMP) format. In doing so, the narrative mainly follows the new CPMP format while the tables and charts use the previous format.

**As such, for the assessment of one year goals and objectives** for the overall and numeric accomplishments of the reporting period and breakdown of the CPD formula grant funds please refer to:

**Attachment E - Performance Measurement System table found at the end of this report.**

**Similarly, please refer to the attached Integrated Data Information System (IDIS) reports:**

**Summary of Activities – (C04PR03)  
Financial Summary (C04PR26)  
Summary of Accomplishments Report (C04PR23)  
Grantee Summary Activity Report (C04PR08)**

**The City made progress on all CPD goals and objectives.**

**Affirmatively Furthering Fair Housing (AFFH)** is carried out by SHRA currently contracting with the Human Rights Fair Housing (HR/FH) Commission to further fair housing in the County of Sacramento and the cities of Sacramento, Folsom, Isleton and Galt and to affirmatively further fair housing choices for protected classes under the Fair Housing Act. In carrying out its contracted activities, the Commission provided services to all classes of persons protected under the Fair Housing Act without regard to income. In 2007, the Commission provided services that affirmatively furthered fair housing choices in the

following areas: investigation of fair housing discrimination complaints, fair housing testing, fair housing education and outreach, and fair housing audits. The Commission investigated complaints of housing discrimination for protected classes that came to its attention through its daily business operations or from referrals from other agencies. All complaints were thoroughly documented and summaries of each complaint were forwarded to SHRA. Below are the 2007 accomplishments for all jurisdictions included in the HR/FH contract:

- Responded to 204 housing discrimination phone calls
- Responded to 147 housing discrimination walk-ins
- Resolved 19 housing discrimination cases
- Tested 80 discrimination cases
- Provided tester training to 40 persons
- Completed 100 audit tests
- Mailed out over 1,400 fair housing brochures in multiple languages
- Distributed over 1,700 Fair Housing Handbooks
- Presented seven fair housing/education workshops to the housing industry
- Presented eight fair housing/education workshops to social service agencies
- Wrote and submitted four articles on fair housing to the Sacramento Bee

SHRA also contracts with the Sacramento Housing Alliance (SHA) to carry out education programs to increase the public's awareness of the need for affordable and fair housing. The purpose of the program is to provide general information regarding the need for affordable housing, to dispel negative stereotypes, and to increase community acceptance of such housing.

In 2007, SHA conducted four events in an Affordable Housing Forum Series. The forums focused on various issues including senior, family and special needs housing. The final forum discussed the need for affordable housing in the Midtown and Downtown Sacramento areas.

The Analysis of Impediments (AI) for Fair Housing Choice (completed in 2004) reported that the fair housing environment is positive in the Sacramento region. The region fosters diversity and racial tolerance, and public and private agencies are proactive in mitigating any existing fair housing challenges. However, although segregated housing patterns still exist, particularly in older neighborhoods, new housing developments and neighborhoods are diverse and reflective of the racial and ethnic composition of the Sacramento Region.

Despite the favorable fair housing environment in Sacramento, there are still identified impediments which include:

- The need for more affordable housing, particularly in the smaller communities. Lack of affordable housing disproportionately impacts minority and single parent households. SHRA refers individuals to the Human Rights and Fair Housing Commission where discrimination claims are investigated. Further, CDBG funded housing programs are available throughout the City and County. Stringent non-discrimination guidelines are followed which help all individuals find and maintain housing Affirmatively Furthering Fair Housing (AFFH).
- Deficiencies in fair housing services, including enforcement, education and outreach were identified. SHRA, Human Rights Fair Housing Commission, and Sacramento Housing Alliance staff continued to work throughout 2007 to alleviate these impediments making further improvements.

**Over the five-year period, actions taken by local jurisdictions to help overcome impediments to affordable housing include:**

- Streamlined permitting for affordable housing developments.
- Ongoing implementation of the City's Inclusionary Housing Ordinance program.
- Implementing infill ordinances for workforce housing coupled with housing trust funds.
- Quality of life streetscape improvements and commercial rehabilitation on older commercial corridors which helps to preserve affordable housing in adjacent neighborhoods.
- Use of State of California Proposition 46 and 63 Bond Funds to help fund the construction, rehabilitation and preservation of affordable rental housing, emergency shelters and homeless facilities as well as funds that can be used to provide down payment assistance to low-and moderate-income home buyers. Seniors, families with children, teachers, disabled persons, veterans and working people benefit from the bond funds.
- Down payment assistance for first-time homebuyers.
- Financing of quality non profits who build affordable housing including Community Housing Opportunities Corporation (CHOC), Mercy Housing and Sacramento Mutual Housing.
- Forums and a bus tour with Sacramento Housing Alliance of affordable housing projects to educate different segments of the community on the quality and service provided by modern up to date affordable housing developments.
- Incentives for transit-oriented development which improves the housing supply for low-and moderate-income residents combining the benefits of housing and public transit.

**Regarding other strategic actions** the Housing and Community Development Department at SHRA continues efforts to implement new strategies and strengthen participation of its partners to expand support for affordable housing programs in the City. These programs will include housing and related support services for people transitioning out of homelessness, including implementation of the Ten-Year Plan to End Chronic Homelessness, as well as services for seniors and youth. The programs and strategies include:

- **SRO Strategy** - The SRO (Single Room Occupancy) strategy focuses on preservation of existing residential hotels and development of new efficiency apartments to replace inventory lost through conversion or demolition. An SRO Action Plan was adopted in 2006 to fund rehabilitation of three older downtown SRO hotels and to identify a site to construct at least one new efficiency apartment project of approximately 75 units. In 2007, \$5 million in tax increment financing was approved for acquisition/rehabilitation of one

hotel and the new construction site was identified. Revisions to the City's SRO ordinance have strengthened protections for tenants in existing SRO's that may be closed due to market forces. The strategy also includes adoption of a "no net loss" policy to stabilize the inventory of available single-room occupancy units within the City. In addition to other sources such as low-income housing tax credits and local redevelopment funds, HOME funding may be used to provide gap financing for SRO rehabilitation or new construction projects.

- **Housing Element** - The City Planning Department and SHRA will initiate work on the City's Housing Element (July 1, 2008 to June 30, 2013). The Housing Element of the General Plan includes an analysis of existing and projected housing needs, an analysis of potential governmental constraints, residential land inventory, housing policies, programs and quantified objectives to address the City's housing needs.
- **Inclusionary** - The City's Mixed Income (Inclusionary) Housing Ordinance requires 15% of units constructed in new growth areas to be affordable to low and very low-income buyers or renters. SHRA reviews and approves Affordable Housing Plans and Agreements required under the ordinance. SHRA also provides lower interest rate gap financing to multi-family housing projects which are developed to meet the ordinance's requirements. SHRA uses HOME program funds to provide gap financing, as well as its capacity as an issuer of mortgage revenue bonds.
- **Homeless** - The City and County of Sacramento are jointly undertaking implementation of the Ten-Year Plan to End Chronic Homelessness (2006-2016). The plan reflects the best practice models from New York, Philadelphia, San Francisco, Portland, and other cities that have successfully implemented Housing First strategies for reducing chronic homelessness. The Plan envisions a system in which public and private agencies work together as a consortium to procure and manage housing, provide central intake services, and deliver support services to clients through a coordinated case management system. Since adoption, ten standing committees have been formed and meet covering a range of implementation issues such as permanent supportive housing, criminal justice and veterans. Three contracts have been executed with community providers to house and serve individuals. A new Central Intake Office opened in June 2007 and has begun screening services. Further, three rental housing projects have been financed and will provide 139 units of permanent supportive housing. Please refer to <http://www.communitycouncil.org/homelessplan/>.

**Leverage** is important to extend limited public funds. Listed below are sources of federal and non-federal funds received in 2007 for community development activities (there is some overlap between the amounts listed below and Attachment A—Resources Expended or Committed and Activities Completed or Committed for Affordable Housing).

#### Tax Increment

One of the major funding sources for the City of Sacramento is tax increment. Tax increment is the ability to capture a defined portion of the property tax revenues on

real and personal property from all eligible taxing jurisdictions in a designated slum and blight area. In 2007, a total of **\$14, 557,150** in tax increment funds provided much needed assistance in redevelopment areas within the City of Sacramento.

Program Income

Program income is mainly revenue from the repayment of CDBG/HOME rehabilitation and commercial loans.

**Sources of 2007 CDBG Program Income and Revolving Loans Funds Revenue:**

Commercial Revolving Loan Fund (RLF) Interest Income	\$341,118
Commercial RLF Loan Repayments	\$ 9,654
Commercial RLF Miscellaneous Income	\$47,094
Single-family Rehabilitation RLF Interest Income	\$24,378
Single-family Rehabilitation RLF Loan Repayments	\$54,689
Single-family Rehabilitation RLF Loan/Deferred Repayments	\$166,281
Multi-Family Rehabilitation RLF Interest Income	\$18,110
Multi-Family Rehabilitation RLF Loan Repayments	\$38,933
First-Time Homebuyers RLF Interest Income	\$ 5,582
First-Time Homebuyers RLF Loan/Deferred Repayments	\$117,557
First-Time Homebuyer RLF Miscellaneous Income	\$75
<b>Total</b>	<b>\$823,476</b>

**Sources of 2007 HOME Program Income and Revolving Loans Funds Revenue:**

Miscellaneous Income	\$0
Rehabilitation RLF Interest Income on Investments	\$89,605
Rehabilitation RLF Interest Income on Loans	\$196,632
Rehabilitation RLF Loan Repayments	\$196,729
Rehabilitation RLF Loan/Deferred Repayments	\$93,960
<b>Total</b>	<b>\$576,926</b>

**Emergency Shelter Grant (ESG)**

Nearly \$1.3 million in additional cash resources, grants and other contributions were leveraged in addition to ESG funding for a total of \$1,807,667 for the emergency shelter program in the City and County.

**Housing Opportunities for Persons with AIDS (HOPWA).**

An additional \$794,000 was leveraged by the \$1.2 million HOPWA funds in 2007 for a total of \$1.9 million for housing and services provided to persons with HIV/AIDS.

**Non-Profits**

Private fund raising, donations, and in-kind services provided by subrecipients are utilized to carry out programs that meet needs identified in the Consolidated Plan. Non-profits include: Rebuilding Together, Home Assistance Repair Program for Seniors, and Neighborhood Housing Services.

### **Housing Activities**

2007 Consolidated Plan housing activities shown in Attachment A indicate that SHRA expended **\$17, 063,495** federal funds and leveraged **\$295, 244,299** in private resources in the City.

This has provided an overall leverage ratio of **\$17.30** of non-federal funds for every \$1.00 of federal funds. As can be seen in Attachment A, new construction and first-time homebuyer activities provide the highest leverage of federal funds.

**To review how federal resources from HUD leveraged** other public and private resources, please refer to:

- **Attachment A - Resources Expended or Committed and Activities Completed or Committed for Affordable Housing**
- **Attachment E –Performance Measurements System Table.**

Please also refer to the Housing Needs section for further information regarding the HOME match requirement and the Homeless Needs section for information regarding the ESG match requirement.

## **Managing the Process**

1. *Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.*

### **Program Year 5 CAPER Managing the Process response:**

Each funding source has specific requirements and target service populations. Staff has refined processes to ensure project and service eligibility over the past five years. This has resulted in effective and efficient administration to ensure compliance with program and planning requirements. Following are the proven eligibility practices.

#### **CDBG Eligibility**

CDBG administrative staff has implemented a variety of internal procedures to ensure compliance with program regulations. Prior to receiving governing body approval, all projects or programs funded with CDBG are reviewed to meet eligibility and national objective criteria. Once approval is received each project/program is cleared environmentally before contracts are executed.

CDBG administrative staff provides annual training to subrecipients and SHRA staff to further ensure project/program compliance. The training provides an overview of the CDBG program, CDBG processes, regulatory and reporting requirements, billing procedures and available CDBG resources. In addition, CDBG staff is always available to answer CDBG eligibility questions.

#### **HOME Eligibility**

HOME administrative staff has implemented procedures to ensure compliance with program regulations. All projects receiving HOME loans must have management and social service plans approved by SHRA. The plans are to include tenant screening

procedures, project proformas that demonstrate project sustainability, experienced developers in affordable housing, and mandatory regulatory agreements to proportionately restrict income eligibility/rents of funded HOME units to total project cost.

### **ESG Eligibility**

ESG is under the purview of the County of Sacramento's Department of Human Assistance (DHA). The ESG funded program is reviewed by DHA staff to ensure the program meets ESG eligibility criteria. DHA staff conducts periodic monitoring to ensure compliance with regulations provided by HUD and review of program activities. In addition, DHA contract staff review billings on a monthly basis.

### **HOPWA Eligibility**

HOPWA program is administered under the purview of the County of Sacramento's Department of Human Assistance (DHA). The HOPWA funded program is reviewed by DHA staff to ensure the program meets eligibility standards. DHA staff conducts periodic monitoring to ensure compliance with regulations provided by HUD and review of program activities. In addition, DHA contract staff review billings on a monthly basis.

The subcommittee members base their decision on funding eligible programs if they meet HUD eligibility requirements and the program's scope of service. DHA staff also review all program activities and billings on a monthly basis to ensure compliance with regulations provided by HUD.

## **Citizen Participation**

1. *Provide a summary of citizen comments.*
2. *In addition, the performance report provided to citizens must identify the federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.*

### **Program Year 5 CAPER Citizen Participation response:**

This report was made available to the public on March 3, 2008. A public notice was published in the *Sacramento Bee*. No comments were received.

**Citizens are further directed to refer to information in the:**

- **Attachment E- Performance Measurement System Table,**
- **Leveraging Resources under "General Questions" and the "Monitoring" portions of this report,**
- **And Attachment C – Map of Investments for information.**

## Institutional Structure

1. *Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.*

### **Program Year 5 CAPER Institutional Structure response:**

Sacramento Housing and Redevelopment Agency (SHRA) is a Joint Powers Authority created as a public agency by the City and County of Sacramento in 1973. SHRA is the lead public agency for the City and County regarding affordable housing, public housing, and community/neighborhood development. As a joint City/County agency, SHRA can address a number of cross jurisdictional and regional challenges as many housing and community development issues transcend geographic boundaries. For example, the redevelopment areas of Stockton Boulevard, Franklin Boulevard and Auburn Boulevard transect jurisdictional boundaries and share common issues of concern.

#### **In 2007, SHRA settled into a newly restructured institutional structure.**

The SHRA Executive Director's (ED) office is responsible for guidance and leadership of all aspects of operations. The ED office receives its policy direction from the Board and the Council with advice from the Sacramento Housing and Redevelopment Commission (SHRC) and assumes responsibility for insuring successful development and execution of all SHRA programs. The SHRA institutional structure for 2007 was organized into three general departments: **Executive Director and Administration, Housing Authority and Housing and Community Development.**

**The Executive Director and Administration Department** included an Executive Cabinet comprised of the Executive Director, Deputy Executive Director, Director of Housing and Community Development, Director of the Housing Authority, General Counsel, Director of Administration, Director of Finance, Director of Financial Strategies and the Director of Real Estate and Construction Services. The Directors are responsible for all Agency operations, as well as legal, fiscal and personnel management. Also included are four Administrative Support Departments: SHRA Clerk, Information Management Technology Services, Public and Internal Communications, and Risk Management.

The Real Estate and Construction Services Department includes: Real Estate, Design and Construction, Procurement Services and Homeownership Services. They provide real estate services including appraisals, negotiations, documentation and closing of transactions for real property leases, purchased and sold on behalf of the Agency. The Construction Services group provides oversight of construction activities. The Procurement Services group provides standardized procurement procedures as well as outreach and labor compliance across the Agency. The Homeownership Services group, formerly Loan Processing, provides a variety of programs and services that include both the first-time homebuyer programs and single-family rehabilitation loans and grants.

**The Housing Authority (HA)** provides affordable housing in the city and county of Sacramento through the Public Housing Program, Housing Choice Voucher (HCV) programs, and through the selective use of tax credit and long term bond financed

developments for extremely low-, very low-, and low-income families, seniors, and disabled individuals. The HCV Program makes privately-owned properties affordable for very low-income families through rent subsidies paid to private owners. The Public Housing Program provides apartments, duplexes, and some single-family homes to qualified low-income families. This housing is owned, managed and maintained by the HA, making it one of the largest landlords in Sacramento.

**The Housing and Community Development Department (HCD)** is responsible for the following functions:

- City and County Community Development includes: planning and project delivery for the department and the following; Community Development Block Grant (CDBG), Commercial Revitalization, Grow Sacramento, and Enterprise Zone programs. This team is focused on the planning and implementation of redevelopment, community development, and neighborhood revitalization projects within 12 redevelopment areas and numerous low- and moderate-income neighborhoods and utilizes expenditures of tax increment, bond and CDBG funds to address the revitalization of most blighted communities. Economic and commercial development accomplished through loans and exterior rebates that upgrade commercial buildings in the older commercial corridors of the county. This group administers three Enterprise Zones and a Local Agency Military Base Recovery Area (LAMBRA). These include three former military bases and provide state tax advantages to business that locate or expand in them or that hire persons who may have barriers to employment.
- Housing Finance includes: delivery, policy, special needs housing and Central City housing and portfolio management. As the region's largest affordable housing lender, this group assists the City and County in housing policy and invests public funds, including the HOME funds, in new construction or rehabilitation projects that preserve and expand the supply of affordable housing. Other activities include legislative analysis and tracking, assistance to the City and County in the development and implementation of their General Plan Housing Elements, leadership on homelessness issues, the development and administration of mixed-income or affordable housing programs, and the development of permanent supportive housing for the homeless.

The portfolio management team ensures that SHRA community investments maintain their value over time. It oversees the multi-family loan portfolio, Agency real estate assets and maintains funding affordability requirements.

## Monitoring

1. *Describe how and the frequency with which you monitored your activities.*
2. *Describe the results of your monitoring including any improvements.*
3. *Self Evaluation*
  - a. *Describe the effect programs have in solving neighborhood and community.*
  - b. *Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.*
  - c. *Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.*
  - d. *Indicate any activities falling behind schedule.*

- e. *Describe how activities and strategies made an impact on identified needs.*
- f. *Identify indicators that would best describe the results.*
- g. *Identify barriers that had a negative impact on fulfilling the strategies and overall vision.*
- h. *Identify whether major goals are on target and discuss reasons for those that are not on target.*
- i. *Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively*

## **Program Year 5 CAPER Institutional Structure response:**

### **CDBG and HOME Monitoring, Procurement and Labor Compliance**

To implement an effective CDBG program, activities must be monitored on a consistent basis. Monitoring visits in part determine if the subrecipient is carrying out its program and activities within the timeline denoted in the subrecipient agreement. It also ensures that the required records are maintained to demonstrate compliance with applicable regulations. CDBG administrative staff conducts monitoring reviews of each subrecipient every one-to-two-years to ensure program compliance with HUD regulations.

Over the past five year period, many changes were made within the Community Development Department to expedite project delivery. Specific to CDBG was the consolidation of CDBG funded contracts, management and implementation under the CDBG Unit. CDBG staff continues to coordinate with the redevelopment and jurisdictional planners. CDBG staff prepares and manages the contracts, though, to ensure continuity and reduce project time lost due to staffing changes. This process works well and has been refined each year since inception.

**CDBG monitoring** of subrecipients is conducted in two phases. The first phase entails SHRA financial staff reviewing the subrecipient's financial documents prior to the on-site visit which focuses on programmatic issues. In the second phase, CDBG administrative staff completes on-site monitoring visits of the subrecipients.

In 2007, staff monitored eleven City programs and projects and two jointly funded programs. These were:

- City Department of Transportation
  - Taylor Street/Bell Avenue Traffic Signal
  - Northgate Boulevard Safety Improvements
  - Meadowview Road Improvements
  - Max Baer Park Lighting
- City Parks and Recreation
  - Colonial Park Clubhouse
  - Community Center Security Improvements
  - Discovery Museum History Center ADA
  - EM Hart Senior Center ADA
  - Willow Rancho Field Improvements
- Workrecreation Program City Parks and Recreation Department
- Downtown SRO Supportive Services
- Senior Nutrition Services
- Human Rights and Fair Housing/Affirmatively Furthering Fair Housing (AFFH) Administrative Monitoring

**SHRA's Procurement Services** provides assistance to staff and subrecipients with bidding requirements, Minority/Women Business Enterprise (M/WBE), Section 3 objectives, and labor compliance issues. Additionally, Procurement staff continues to increase outreach to M/WBE firms by participating with other government entities (City and County of Sacramento, State of California, and local business information centers) at contracting seminars, which exposes the attendees to a variety of contracting opportunities at SHRA.

**Portfolio Management monitors HOME** projects routinely to confirm that residents meet HOME qualifications and CDBG commercial, single and multifamily project loans and regulatory agreements. In 2007, they conducted 27 onsite compliance monitoring reviews on HOME-funded rental housing projects. Compliance monitoring included a sample audit of the project's tenant eligibility documentation, a physical inspection of a sample of rental units, a physical inspection of the exterior of the projects, and an assessment of property management. In addition, project managers submitted the annual Unit Status Report and Affirmative Marketing Questionnaire for rental projects. The Unit Status Report includes a listing of current tenants occupying HOME-assisted units, household annual income, source of income, household size, current rent amount, and income designation.

As a result of these onsite compliance monitoring reviews, 24 projects were identified to have exceptions in regards to the tenant eligibility documentation required by the HOME program. Of these projects, five (21%) had file management errors, 22 (92%) had eligibility documentation errors, and four (17%) had property management concerns (primarily tenant wait-list issues). Seven of these projects required additional follow-up file reviews to ensure compliance with the eligibility documentation requirements. For the other projects, the borrowers received written notifications of the file exceptions within seven days of the review and were required to submit corrections and/or Action Plans in a timely manner, thus avoiding non-compliance penalties. It should also be noted that all projects were in compliance with the rent and income requirements of the HOME Program.

To determine if the projects are in compliance with all applicable Housing Quality Standards (HQS) inspections and local code requirements, 28 physical inspections of the assisted units and the properties themselves were conducted. Of the 28 inspections, six projects (21%) were found to have failed units. As with previous years, the main failed items found consisted of extreme unsanitary conditions and units presenting fire hazards due to overcrowding, clutter, and trash. Three projects were noted for failed exterior items which included deteriorated siding, balcony landings, banisters and fencing. The inspections found 22 projects to have one or more units with notable items that were not determined to be failed issues. In all instances, both notable and failed unit corrections were made in a timely manner and all projects were brought in compliance with HQS guidelines.

During the period, 67 single-family loans were reviewed for re-qualification, owner occupancy, site inspections, deferment continuation, gathering and analyzing financial information, and/or for modification of loan documents. All loans were found to be satisfactory and are meeting HOME and CDBG regulatory requirements.

The commercial loan portfolio files are monitored for conformance with the repayment and insurance requirements of the loan agreement and promissory note. The monitoring of files provides verification that the use, terms and repayment schedules are being met. If there is a problem, staff works to resolve repayment issues through borrower contact,

site visits, processing deferment and subordination requests, as well as initiating and completing workout plans and foreclosure actions as necessary to protect SHRA's assets.

## **ESG and HOPWA**

**ESG and HOPWA funded programs are monitored** by DHA staff for contract compliance, financial management systems and programmatic activity:

- Contract compliance is achieved through contract language that sights specific regulations, and requires mandatory monthly reporting of data that is used in the annual HOPWA report. Some of the HOPWA providers are also using the Homeless Management Information System (HMIS) to provided report data.
- Contract analysts monitor payment requests monthly to ensure the program remains within the allocated amounts and expenditures are appropriate.
- For HOPWA funded programs program planners conduct site monitoring visits at two to four sites per year, to review program records, file maintenance and conduct program safety inspections. In addition, HOPWA programs are reviewed every two years by Sacramento County's Department of Finance to ensure financial management systems and invoice documentation meets funding requirements.
- The one program that is funded from ESG grants, St John's Shelter for Women and Children, is monitored annually by DHA and the Sacramento County Department of Finance. In addition, DHA reviews invoices and program outcomes on a monthly basis. Technical assistance is given to the program via a dedicated program planner who is available as needs arise.
- Program planners support grant funded service providers through site visits to review program records, file maintenance, and conduct program safety inspections; telephone calls; monthly HOPWA specific meetings, and incident reports to monitor provider activity.

### **DHA staff also conducts site monitoring visits.**

In 2007, additional technical assistance was provided to St. John's Shelter for Women and Children. This assistance was used to gain proficiency at using the Homeless Management Information System (HMIS) as a tool for population tracking and measuring program effectiveness. In 2007, DHA staff and HomeBase (HUD approved technical advisor) finalized a comprehensive procedures manual for implementation of the ESG program.

In order to gather accurate annual demographic information and standardize monthly reporting systems used for monitoring purposes, DHA staff created a new reporting form for monthly reporting by HOPWA formula grant project sponsors that is modeled after the HOPWA Annual Progress Report for competitive grants. This form will expedite data entry into Integrated Disbursement and Information System (IDIS). Project sponsors have been trained in using the new form, and it was implemented in August 2006 for July 2006 monthly reporting. Project sponsors for active and stewardship projects began using the form for annual reporting to DHA for 2006. Ongoing IDIS training continues for DHA staff and providers.

## **Housing Production, Suitable Living Environment and Economic Opportunity**

**In 2007, 562 housing units were built, rehabilitated or purchased** with CDBG and HOME funds. This includes single-family first-time homebuyers and rehabilitation, multifamily rehabilitation and new construction, and other rehabilitation programs done through non profits. In 2007, numerous code enforcement and park improvements were completed in the City consistent with area improvement plans to create and maintain good live, work and play environments.

CDBG, HOME, ESG, and HOPWA funds are used to create affordable housing opportunities. All funds worked toward relieving gaps and meeting underserved needs in depressed neighborhoods. In addition, housing and other services were provided to people in emergency circumstances and to those with HIV/AIDS. Further, economic opportunity services continued to be provided to public housing residents and homeless individuals.

Affordable housing remains a challenge in a high-cost state such as California which has historically trailed the nation in homeownership. The ability to create affordable housing has been further complicated by the housing downturn which began in August 2005. As the housing market has continued to retract, the interior sections of the state, primarily the Central Valley which includes the City of Sacramento have been particularly impacted. Housing construction has slowed to the lowest level in decades and caused price appreciation to stagnate or decrease throughout the City. Many property owners had to use Adjustable Rate Mortgages (ARMs) to finance purchases during the period of rapid price appreciation to make payments affordable. As ARMs became more prevalent, predatory lending and sub prime loans with rate adjustments began to perpetuate. As more and more purchasers used exotic loans to finance homes the market ceased to expand, prices began to stagnate and decline, and borrowers lost both the anticipated and actual equity needed to refinance a home into a more traditional loan.

As equity declined and mortgages began to adjust borrowers began to fall behind on payments. As payments fell behind, the number of defaults on loans increased. With the increase in defaults the number of foreclosures began to rise. Nonpayment on loans began to impact the credit markets as financial institutions started to have to write-off losses. As losses mounted the tolerance for risk decreased requiring higher standards for credit. As of August of last year credit had been limited to the point that most potential borrowers could no longer secure financing. With a decreased pool of borrowers eligible for financing the number of buyers on the market decreased proportionally. Decreased buyers perpetuate increasing inventories as more homes enter foreclosure due to the inability to finance out of mortgages that continue to adjust.

This dynamic creates a competition between the various units of housing as inventories expand. Unsold new developments, for-sale-by-owner units, and foreclosed properties remain on the market longer due to an inadequate demand resulting from a declining pool of eligible buyers. This leads property owners looking to sell to begin to drop prices to attract interest, which then reduce comparable sales which reduce potential equity which then may prevent a homeowner in a neighboring property from refinancing. This cycle has led to area median prices declining over 25-percent from the previous high.

The correction in home values has impacted other segments of the economy leading to higher unemployment as housing construction and lending institutions reduce staff to meet reduced demand. Reduced employment slows spending which impacts sales of all

goods and services. As sales are reduced, less taxes are assessed, leading to decreased revenues for local jurisdictions and increased strains on limited resources.

To further illustrate how dramatic an impact this has had on the local community; Sacramento has the fifth highest foreclosure rate in the country and the single worst zip code in the nation for foreclosures. Though prices continue to decline and numerous units remain on the market, the Sacramento area remains unaffordable due to credit restrictions coupled with incomes that have not kept pace with overall price gains since the start of the new millennium. Thus, the homeownership rate remains below the national average with the increased potential of declining further.

Lastly, as home prices have fallen and lending institutions have become stricter in their underwriting process, the SHRA Homebuyer Programs have also experienced reduced numbers of homebuyer loans. Although declining home values have made more housing units affordable, the corresponding contraction in the lending industry as stated above has made it difficult for very-low and low-income households to qualify for financing to purchase a home.

### **CDBG 1.5 Requirement**

On October 31<sup>st</sup> of each year, HUD requires that the City have no more than 1.5 times the amount of its entitlement in its account. SHRA met this requirement by October 2007 and was at 1.40 including Program Income and 1.05 without. To accomplish this requirement, CDBG administrative staff performed weekly reviews of expenditures beginning in March and recommended Action Plan amendments to facilitate timely expenditures. In October 2007, the City Council defunded slow-moving activities and reallocated funds to other priority activities that could utilize the funds expeditiously.

In past years, an area contributing to the 1.5 challenge was effective subrecipient contracting, especially for public services activities. To address this issue in 2005, public service contracts were written with an effective date of January 1<sup>st</sup> and an ending date of December 31<sup>st</sup>. This helps ensure that public service dollars are spent within a calendar year and unused dollars are reallocated to other activities.

### **HOME Fund Commitments**

Based on HUD regulations, HOME entitlement funds are required to be committed within 24 months of award. As of January 2008, HOME entitlements for program years 1992 through 2006 were fully committed.

HUD regulations also require that HOME entitlement funds be disbursed within 60 months of award. An evaluation is made by April 1<sup>st</sup> of each year to ensure that this regulation is being met. As of March 2007, the total entitlement amount for program years 1992 through 2003 was fully disbursed.

Lastly, HUD regulations require that within 24 months of award, no less than 15 percent of HOME entitlement must be set aside of housing owned, developed or sponsored by a Community Housing Development Organization (CHDO). As of March 2008, the commitment requirements for program years 1992 through 2006 were met.

### **ESG and HOPWA Fund Draw Downs**

SHRA staff coordinated with DHA to ensure timely draw downs of previous years ESG and HOPWA funds for fiscal year 2007. Additionally, DHA staff is committed to providing accurate non-duplicate demographic information in IDIS to comply with HUD's reporting requirements.

## **Lead-based Paint**

1. *Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.*

### **Program Year 5 CAPER Lead-based paint response:**

The Department of Health and Human Services and SHRA have taken actions to reduce lead-based paint hazards in accordance with HUD regulations. Housing units with lead-based paint were identified and actions were taken to remove the hazard.

#### **Childhood Lead Poisoning Prevention Program (CLPPP)**

Outreach and education regarding lead poisoning and prevention practices is provided by the Health Education Unit and public health nurses (PHNs) in the Public Health Nursing Field Services Unit. Health educators and public health nurses train community-based agency staff and medical providers on lead screening protocols and testing services. Additional outreach efforts include health fairs and media campaigns.

PHNs provide case management and follow-up for children with elevated blood lead levels detected by the Public Health Lab Lead Testing Program and all tests are reported to the State Childhood Lead Poisoning Prevention Branch. Children with elevated blood lead levels meeting the State Branch case definitions receive comprehensive/specific case management and follow-up by PHNs. Home visitation assessments/investigations by the PHN and a contracted Registered Environmental Health Specialist are done to determine possible causes of lead poisoning. Outreach and education is provided to children with elevated blood lead levels that do not meet case definitions.

#### **Rebuilding Together**

In 2007, this non-profit organization provided training and literature on lead-based paint safe work practices to the volunteers assisting with their rehabilitation and handicapped accessibility programs.

#### **Sacramento Housing and Redevelopment Agency**

##### Public Housing

The Housing Authority's Hazardous Materials staff routinely abates lead-based paint from all pre-1978 units whenever structural improvements are made. If a unit is deteriorating, staff immediately has the unit tested and abated as necessary. Annual visual inspections are performed on multi-family housing units. Residents are also provided with information about lead-based paint hazards. Housing Authority staff

attended training and seminars to stay current with State lead certification requirements.

#### Housing Choice Voucher

Property owners, applicants, and participants are provided general information about lead-based paint hazards and stabilization techniques using safe work practices before an inspection is conducted. Housing Choice Voucher staff performs a Housing Quality Standard (HQS) inspection of each pre-1978 unit where a child under the age of 6 is expected to reside. If any defective paint surface is observed, the unit is failed and the owner and tenant are provided with detailed information about stabilizing defective paint surfaces using safe work practices. Information is also provided about required clearances and record keeping. Once the appropriate lead-based paint abatement has taken place the unit is cleared by the HQS inspector.

#### SHRA Programs

SHRA's programs continue to address lead-based paint hazards in the following programs: Emergency Repair Program/ Accessibility Grants Program and SHRA funded residential rehabilitation loan programs. SHRA contracts with lead-based paint inspection services to inspect residences in these programs. The services include but are not limited to localized paint testing, full risk assessment and clearance testing. As part of the rehabilitation process, lead-based paint hazards are minimized to acceptable levels or removed. In 2007, ten (10) homes were found with lead-based hazards and corrective actions were taken to eliminate the risk.

## HOUSING

### Housing Needs

1. *Describe Actions taken during the last year to foster and maintain affordable housing.*

#### **Program Year 5 CAPER Housing Needs response:**

Over the past five years of the Consolidated Plan period, the demand for affordable housing in the City and County of Sacramento increased and affordability decreased. The market trend began to reverse in 2006, but unfortunately not before predatory lending practices precipitated a national foreclosure epidemic. Sacramento was not immune to this. The negative impacts began a wave of local foreclosures, loss of construction jobs and unsettling repercussions throughout the housing market and local economy in general. The 2007 year ended as an unknown in terms of where the market would settle.

SHRA is committed to increasing the supply of affordable housing. The Housing and Community Development Department has worked closely with the City in the development of:

- Inclusionary ordinances and other policies that will help increase rental housing production and homeownership opportunities.
- Efficient management of its resources in order to address the range of need and reach special need populations, workforce populations, and those who are moving out of the rental market and buying their first homes.
- The Housing Element of the General Plan Update (2008-2013) including an analysis of existing and projected housing needs; and analysis of potential governmental constraints; a residential land inventory and quantified objectives to provide the full range of housing.
- The Ten-Year Plan to End Chronic Homelessness which was completed and adopted by both the City and County.
- A preservation strategy and City Ordinance pertaining to Single-Room Occupancy Residential Hotels.

#### Housing Authority Homes for Sale Programs

The Housing Authorities of the City and County of Sacramento have adopted a public housing homeownership program to sell part of their inventory of single family homes to public housing residents, Housing Choice Voucher (HCV) participants, and low-income households. The programs are the 5(h) and Section 32 programs (the names referring to the citations in the authorizing legislation). The 5(h) and Section 32 programs allow the Housing Authority to provide seller financing to ensure the homes would be affordable to low-income buyers (household incomes cannot exceed 80 percent of the area median income). The approved amounts of the seller carry-back financing for both these programs are up to fifty percent of the sales price for priority buyers and thirty-five percent of the sales price for other public buyers. In addition, subject to availability, buyers may use other Agency homebuyer programs such as the First-Time Homebuyer and the American Dream Downpayment Initiative Programs.

As a lender and developer, SHRA invests HOME and other public funds in new construction or rehabilitation projects that preserve and expand the supply of affordable housing within the City and County of Sacramento. The housing department strives to efficiently manage its resources in order to address the full range of need including special- needs housing, workforce housing, and first-time homebuyers.

The department underwrites and originates loans, issues tax-exempt mortgage revenue bonds, and creates public financing structures. The housing loans support new construction in growth areas, urban infill development in older neighborhoods, the rehabilitation of deteriorated properties, and preservation of existing affordable housing.

Accomplishments in 2007 in the City and County included:

- Issuance of over \$125 million of tax exempt mortgage revenue bonds and \$22 million in SHRA loans to allow for over 1,700 affordable housing units.
- Implementation of the Ten-Year Plan to End Chronic Homeless.
- Implementation of the downtown Sacramento SRO Preservation Strategy and ordinance.
- Review of six (6) inclusionary housing plans representing 2,738 affordable housing units to be constructed in future years: 915 low-income and 1,823 very-low income. Of these, 13 units will be single-family for-sale units and 2,725 units will be multifamily rental units.

#### Homeownership Services

The Homeownership Services Department provides a variety of programs and services including the owner-occupied rehabilitation loans/grants and various homebuyer assistance programs. Homeownership Services also provides the income certification and selection process for buyers of affordable housing sales programs such as the City's Mixed Income Housing Ordinance and the Housing Authority's Section 32 Homeownership Program.

Accomplishments in 2007 included:

- Completed 132 single family rehabilitation loans and Emergency Repair/Accessibility Program Grants.
- Provided homebuyer assistance to 82 homebuyers and issued 30 Mortgage Credit Certificates. Provided financing for 16 homebuyers in the 5(h) and Section 32 Homebuyer Programs. Conducted income certifications for 36 low-income buyers of homes in the City's Inclusionary Program.
- Applied for and received funding from the State's CalHome Program in the amount of \$1 Million for First-Time Homebuyer and Owner-Occupied Rehabilitation Programs.
- Received funding from the State BEGIN Program Totaling \$2.4 million dollars for the Evergreen Single Family Development.

**Please refer to Attachment E, Performance Measurement Systems Table for additional information.**

Del Paso Nuevo Neighborhood Revitalization Strategy

In 2005, SHRA executed disposition and development agreements (DDA's) for Phases IV and V of Del Paso Nuevo with two separate developers. Both Phases IV and V have received Tentative Map and now Final Map approvals. The infrastructure and lot development of Phase IV is now complete with a total of 81 single-family lots built, of which 41 will be sold to low-income buyers. The model home complex of four models is scheduled to start construction in February of 2008. The infrastructure and lot development is also completed for Phase V. There are a total of 95 single-family lots completed of which 48 will be sold to low-income buyers. The model complex of four models is completed and construction has started on the first eleven homes.

In addition to the completion of the lots and the start of home construction, the Agency has secured down payment assistance under the BEGIN Program from the State of California. This program provides a 20 percent down payment of up to \$30,000 per home for all 89 of the low income units. The loans carry a 3 percent interest rate and there is no payment for 30 years.

**Please refer to Attachment D – Del Paso Nuevo Homeownership Zone – Neighborhood Revitalization Strategy for additional information.**

## Specific Housing Objectives

1. *Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.*
2. *Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.*
3. *Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.*

### **Program Year 5 CAPER Specific Housing Objectives response:**

CDBG and HOME funded projects continue to strive to meet the goals set out in the Consolidated Plan. The affordable housing programs are hampered, as of late, in meeting their affordable housing goals for very low- and low-income households, mainly due to the dramatic rise in property and housing costs in the area.

**Single-Family Households Assisted in 2007 (Completed Projects Only)**

<b>Income Range (Percent of Area Median Income)</b>	<b>Extremely Low 0 to 30%</b>	<b>Low 31 to 50%</b>	<b>Moderate 51 to 80%</b>	<b>Annual Proposed Goals in CP**</b>	<b>2007 Total Assisted</b>
* Households	154	212	59	870	425
% of Total Assisted	36%	50%	14%		100%
**% of Total Need	43%	30%	27%		100%

Data from IDIS Report CO4PR023

\*Includes HARPS, homebuyer programs, emergency repair program, rehabilitation, and retrofit grants (which may include renters)

\*\*Computed from data supplied in 2003-2007 Consolidated Plan Table 4-2: Five-Year Housing Needs and Priorities

**Multi-Family Units Assisted in 2007 (Completed Projects Only)**

<b>Income Range (Percent of Area Median Income)</b>	<b>Extremely Low 0 to 30%</b>	<b>Low 31 to 50%</b>	<b>Moderate 51 to 80%</b>	<b>Annual Proposed Goals in CP**</b>	<b>2007 Total Assisted</b>
Number of Units*	0	35	102	63	137
% of Total Assisted	0%	26%	74%		100%
**% of Total Need	43%	30%	27%		100%

\*Completed units: Willow Tree Apartments, Riverside Commons/Shenandoah, and Westview Ranch Apartments.

\*\*Computed from data supplied in 2003-2007 Consolidated Plan Table 4-2: Five-Year Housing Needs and Priorities

**Worst-Case Housing Needs**

Worst-case housing needs are defined as low-income renter households who pay more than half their income for rent, live in seriously substandard housing (including homeless people) or have been involuntarily displaced. The City of Sacramento served the worst-case needs by working with the County of Sacramento, Housing Authority, public service agencies, and the cities of Folsom, Isleton and Galt to maintain a “continuum of care” umbrella of services to assist residents in their time of need. For further information, please refer to the Continuum of Care report on file with SHRA’s CDBG Division for information on how the City addresses emergency housing and assistance services.

**Housing Needs of Persons with Disabilities**

All of the City of Sacramento’s funded housing developments comply with the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

The Housing Authority’s policies and practices are designed to provide assurances that persons with disabilities will be given reasonable accommodations, upon request, so that they may fully access and utilize the housing program and related services. The availability of [requesting an] accommodation will be made known by including notices

on Housing Authority forms and letters. This policy is intended to afford persons with disabilities an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as those who do not have disabilities and is applicable to all situations described in the Housing Authority's policies.

The Housing Authority utilizes organizations that provide assistance for disabled persons when needed. The Housing Authority fully complies with the obligations found in HUD Notice PIH 2002-01 [Accessibility Notice: Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988].

## **Public Housing Strategy**

- 1. Describe actions taken during the last year to improve public housing and resident initiatives.*

### **Program Year 5 CAPER Specific Housing Objectives response:**

The Housing Authority encourages public housing residents to participate in policy, procedure and program implementation and development through its Resident Advisory Board (RAB). The RAB is an elected Board representing all of the residents of the Housing Authority. The RAB serves as an organized spokesperson for the resident body to present resident concerns to the authority and to participate and provide feedback to the Housing Authority regarding the 5-Year Plan and the Annual Plan, policy revisions, and the development of resident programs on behalf of the residents.

The Housing Authority's Resident Services Division and Maintenance Department have three job training programs for residents: office/clerical, janitorial/custodial, and painting. The painting and office/clerical programs are two-year training programs, and the janitorial/custodial is one year in duration. Each training program is designed to employ four full time resident trainees. In 2007, the resident training program graduated six office/clerical trainees. All six trainees left the program to accept full-time regular positions in the community. The Housing Authority provides job search, resume preparation, and skills enhancement assistance to all trainee program graduates.

Family Self-Sufficiency (FSS) is a HUD program that encourages communities to develop local strategies to help Housing Authority families obtain employment that will lead to economic independence and self-sufficiency. The Housing Authority works with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program that gives participating FSS family members the skills and experience to enable them to obtain employment that pays a living wage. In 2007, the Housing Authority's FSS Program had 80 participants. There were 19 graduates from the program who achieved full time employment, 18 who were Housing Choice Voucher residents and one who is a public housing resident.

Seminars are offered including credit counseling, homeownership opportunities, and tax filing assistance.

In 2007, to help senior and disabled residents remain independent, the Housing Authority provided a shuttle to transport residents to grocery stores and special events. Other services include the Senior Nutrition Program (lunch service), a Health Fair, and the Senior Companion Program (senior volunteers visit SHRA residents on a weekly

basis). All of these programs seek to enhance the quality of life of the public housing residents.

## **Barriers to Affordable Housing**

1. *Describe actions taken during the last year to eliminate barriers to affordable housing.*

### **Program Year 5 CAPER Barriers to Affordable Housing response:**

The following activities were undertaken in 2007 to eliminate barriers to affordable housing.

- Streamlined permitting for affordable housing developments.
- Ongoing implementing inclusionary housing ordinances.
- Implementing infill ordinances for workforce housing coupled with housing trust funds.
- Quality of life streetscape improvements and commercial rehabilitation on older commercial corridors which helps to preserve affordable housing in adjacent neighborhoods.
- Use of State of California Proposition 46 and 63 Bond Funds to help fund the construction, rehabilitation and preservation of affordable rental housing, emergency shelters and homeless facilities as well as funds that can be used to provide down payment assistance to low-and moderate-income home buyers. Seniors, families with children, teachers, disabled persons, veterans and working people benefit from the bond funds.
- Down payment assistance for first-time homebuyers.
- Financing of quality non profits who build affordable housing including Community Housing Opportunities Corporation (CHOC), Mercy Housing and Sacramento Mutual Housing.
- Forums and a bus tour by the Sacramento Housing Alliance to educate different segments of the community on the quality and service provided by modern up to date affordable housing developments.
- Incentives for transit-oriented development which improves the housing supply for low-and moderate-income residents combining the benefits of housing and public transit.

## **HOME/American Dream Down Payment Initiative (ADDI)**

1. *Assessment of Relationship of HOME Funds to Goals and Objectives*
  - a. *Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.*
2. *HOME Match Report*

## Fifth Program Year CAPER 2007

- a. *Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.*
3. *HOME MBE and WBE Report*
  - a. *Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).*
4. *Assessments*
  - a. *Detail results of on-site inspections of rental housing.*
  - b. *Describe the HOME jurisdiction's affirmative marketing actions.*
  - c. *Describe outreach to minority and women owned businesses.*

## **Program Year 5 CAPER HOME/ADDI response:**

### **HOME Program**

**For a complete list of HOME activities please refer to Attachment A – Resources Expended or Committed and Activities Completed or Committed for Affordable Housing.**

SHRA utilizes HOME funds to create affordable housing projects in the City and County of Sacramento as well as the cities of Folsom, Isleton, Galt, Citrus Heights, Elk Grove and Rancho Cordova. Federal HOME funds are used by participating jurisdictions to provide permanent housing for low- and very low-income households in Sacramento County. This assistance meets the primary goal of developing, preserving and financing a continuum of affordable housing opportunities adopted in the 2003-2007 Consolidated Plan.

SHRA uses its HOME funds mainly in the construction and rehabilitation of very low- and low-income rental housing units. SHRA requires that the housing developments receiving HOME funds offer amenities such as community rooms, tot lots and after-school programs to their residents to improve their quality of life. In addition, SHRA requires all HOME funded projects to have the necessary security features including enhanced lighting, security cameras, and security gates when necessary. Management plans are required to include approved managers and tenant screening processes.

### **ADDI Program**

The ADDI program was implemented in the City of Sacramento in July 2004. The program is structured to provide homeowners with a deferred payment loan of three percent. The maximum assistance is calculated at six percent of the sales price up to \$10,000. The loan is forgiven if the buyer remains the owner-occupant for ten years. Buyers must be low-income first-time homebuyers; however, there are special definitions for displaced homemakers and single parents. In 2007, six families have become homeowners with the assistance of the ADDI program. The ADDI has become a tool in SHRA's Layering Policy by providing another \$10,000 in addition to the existing homeownership programs for homebuyer assistance.

The ADDI Program has been marketed on a regular basis with the following avenues: listed on the SHRA web site, fact sheets are sent to numerous callers, participating lenders are provided with updates, community events, Board of Realtor updates, the Black Expo and the annual Homeownership Fair.

SHRA also offers ADDI in conjunction with the Section 32 Homeownership Program whereby the Housing Authority is rehabilitating 197 - properties to be sold to low-income eligible homebuyers. First priority is given to public housing residents and Housing Choice Voucher participants who have been working toward homeownership in other programs such as the Family Self-Sufficiency. Then, the properties are offered to low-income buyers in the public. The ADDI Program and SHRA's homeownership layering programs will be used in conjunction with some of these transactions. In 2007, one public buyer purchased a home under SHRA's Section 32 Program using the ADDI Program.

To help prepare applicants for the responsibilities of undertaking and maintaining homeownership, all applicants must complete SHRA's approved homebuyer education classes. These classes cover the home buying process; property maintenance, credit and budgeting practices prior to purchasing the home.

**HOME Match Report** Please refer to Attachment B – HOME Match Report.

**HOME MBE and WBE Report** The majority of HOME funds are distributed as loans, not direct contracts and therefore have no M/WBE requirements.

### **Assessments**

The detailed results of on-site inspections of rental housing are found in the Monitoring section of this report.

Regarding the City's affirmative marketing actions, HOME projects are available to all program eligible residents. Recipients of HOME funding are made aware of the requirements of affirmative marketing per HUD guidelines.

The majority of HOME funds are distributed as loans, not direct contracts and therefore have no M/WBE requirements.

## HOMELESS

### Homeless Needs

1. *Identify actions taken to address needs of homeless persons.*
2. *Identify actions to help homeless persons make the transition to permanent housing and independent living.*
3. *Identify new Federal resources obtained from Homeless SuperNOFA.*

#### **Program Year 5 CAPER Homeless Needs response:**

Through the Continuum of Care (CoC) effort to move individuals out of homelessness, homeless providers work together for a common goal, to assist all participants to greater self-sufficiency and stabilized housing. Regular monthly meetings are held among homeless and other service providers to review and discuss how to better meet the needs of persons in need of homeless services.

January 2007, the Sacramento County and City Board on Homelessness (SC&CBoH), the governing board for the CoC was dissolved with the implementation of Sacramento's Ten-Year Plan to End Homelessness. At this time a new governing structure was implemented with the formation of the Policy Board to End Chronic Homelessness. This board is comprised of high level public and private sector community leaders who provide strategic direction, oversight and advocacy of the Ten-Year Plan. Along with the Policy Board, an Interagency Council to End Homelessness was created to make recommendations to the Policy Board and provide additional resources. In addition, a number of subcommittees were created to coordinate the implementation of the Ten Year Plan to End Chronic Homelessness. Examples of these include the Healthcare Linked to Housing, Veterans, and Criminal Justice subcommittees.

The first year of the Ten- Year Plan to End Chronic Homelessness concluded with the realization of some significant successes. This included creating a total of 97 new permanent supportive housing beds for chronically homeless adults. Another 75 new permanent supportive housing beds were created for families with mental health issues. Also, the plan details five strategies to end chronic homelessness, one of which is the creation of an Outreach and Central Intake system for accelerated assessment and placement of chronically homeless individuals. This was created and implemented in June 2007.

Further information on the Ten-Year Plan to End Chronic Homelessness is located under the Anti-Poverty Strategy section.

**Regarding transition to permanent housing and independent living, please refer to the 2007 CoC McKinney Application on file with the SHRA CDBG staff.**

**A two-year Super NOFA grant was awarded in 2007 in the amount of \$631, 308** to allow Lutheran Social Services to partner with Sacramento Mutual Housing Association to develop a 90 unit affordable housing complex. Of these 90 units, 66 will provide permanent supportive housing to homeless persons with disabilities, and 21 units will be for chronically homeless persons funded through the supportive housing program.

## Specific Homeless Prevention Elements

1. *Identify actions taken to prevent homelessness.*

### Program Year 5 CAPER Specific Homeless Prevention Elements response:

Please refer to the 2006 CoC McKinney Application on file with the SHRA CDBG staff.

## Emergency Shelter Grants (ESG)

1. *Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).*
2. *Assessment of Relationship of ESG Funds to Goals and Objectives*
  - a. *Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.*
  - b. *Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.*
3. *Matching Resources*
  - a. *Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.*
4. *State Method of Distribution*
  - a. *States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients. **Not applicable to City of Sacramento.***
5. *Activity and Beneficiary Data*
  - a. *Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.*
  - b. *Homeless Discharge Coordination*
    - i. *As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.*  
**Not applicable.**
  - c. *Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort. **No ESG funds are used as part of the discharge process.***

### Program Year 5 CAPER Emergency Shelter Grants (ESG) response:

Please, refer to Exhibit E, the Performance Measurement Table for ESG information on total unduplicated numbers served and dollars spent in 2007.

Fifth Program Year CAPER 2007

In 2007, ESG funds were used to provide partial funding for beds and operational support to one shelter: St. John's Shelter for Women and Children. This is a 100-bed emergency shelter that opened in 2004 and serves women and children residing on the streets or in places not meant for human habitation. A total of 1,221 people including 285 families were helped in 2007. Upon exit, 47% had either transitional or permanent housing.

The Consolidated Plan and the CoC provide the framework for the use of ESG funds for homeless facilities and services in the City and County of Sacramento. Besides shelter, there is a comprehensive case management component to provide each adult with housing assistance, life skill enhancement services, and employment resources.

**ESG funds are matched with other funding listed below:**

County General Fund	\$459,420
CalWORKS	\$227,109
Emergency Food and Shelter Board	\$45,835
Churches	\$67,877
Private Party Donations	\$86,088
Business & Service Clubs	\$104,439
Trusts and Foundations	\$36,024
Other Grants	\$65,809
Fundraisers	\$98,777
Ann Land & Bertha Henschel Commission Grant	\$5,500
Emergency Housing & Assistance Program	\$36,147
SETA	\$37,024
United Way	\$20,319
Sub-Total	\$1,290,368
County ESG	\$260,055
City ESG	<u>\$257,244</u>
	517,299
<b>Total</b>	<b><u>\$1,807,667</u></b>

## COMMUNITY DEVELOPMENT

### Community Development

1. *Assessment of Relationship of CDBG Funds to Goals and Objectives*
  - a. *Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.*
  - b. *Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.*
  - c. *Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.*
2. *Changes in Program Objectives*
  - a. *Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.*
3. *Assessment of Efforts in Carrying Out Planned Actions*
  - a. *Indicate how grantee pursued all resources indicated in the Consolidated Plan.*
  - b. *Indicate how grantee provided certifications of consistency in a fair and impartial manner.*
  - c. *Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.*
4. *For Funds Not Used for National Objectives*
  - a. *Indicate how use of CDBG funds did not meet national objectives.*
  - b. *Indicate how did not comply with overall benefit certification.*
5. *Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property*
  - a. *Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.*
  - b. *Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.*
  - c. *Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.*
6. *Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons*
  - a. *Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.*
  - b. *List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.*
  - c. *If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.*

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7. *Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit*
  - a. *Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.*
8. *Program income received*
  - a. *Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.*
  - b. *Detail the amount repaid on each float-funded activity.*
  - c. *Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.*
  - d. *Detail the amount of income received from the sale of property by parcel.*
9. *Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:*
  - a. *The activity name and number as shown in IDIS;*
  - b. *The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;*
  - c. *The amount returned to line-of-credit or program account; and*
  - d. *Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.*
10. *Loans and other receivables*
  - a. *List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.*
  - b. *List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.*
  - c. *List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.*
  - d. *Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.*
  - e. *Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.*
11. *Lump sum agreements*
  - a. *Provide the name of the financial institution.*
  - b. *Provide the date the funds were deposited.*
  - c. *Provide the date the use of funds commenced.*
  - d. *Provide the percentage of funds disbursed within 180 days of deposit in the institution.*
12. *Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year*
  - a. *Identify the type of program and number of projects/units completed for each program.*
  - b. *Provide the total CDBG funds involved in the program.*
  - c. *Detail other public and private funds involved in the project.*

*13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies*

- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.*

**Program Year 5 CAPER Community Development response:**

**Attachment E - Performance Measurements System table addresses the priorities of Community Development as established by the 2003-2007 Consolidated Plan and quantifies the results based on these priorities.**

**Attachment A – Resources Expended or Committed and Activities Completed or Committed for Affordable Housing reflects the City’s progress towards meeting affordable housing goals.**

Most CDBG funds were used to benefit very-low, low- and moderate-income persons or to aid in the elimination of slum and blight. The City of Sacramento spent 96.37 percent of its CDBG funds to benefit low- and moderate-income individuals (minimum 70 percent is required). The remaining 3.63 percent were either not spent or used for administration of the CDBG program. No projects were initiated or completed under the urgent need national objective.

The City of Sacramento has not changed the objectives of its CDBG program and continues to use CDBG funds for infrastructure and public facility improvements, housing development and homeownership, public services, commercial revitalization, and planning and administration activities. There is always an ongoing need for CDBG funds to fulfill objectives in all the above categories hence no changes are recommended based on Sacramento’s experiences.

The City of Sacramento pursued all potential resources as indicated in the Consolidated Plan by working with developers, non-profits and other governmental agencies to leverage a variety of funds for the construction and rehabilitation of affordable housing projects and programs, opportunities for low- and moderate-income people to become homeowners, assistance to homeless persons, public service programs, job training and education, community development activities directed toward revitalizing neighborhoods and economic development.

**Please refer to the Leveraging Resources section and Attachment E- Performance Measurements System table of this report for further information.**

**Certifications** - The City of Sacramento certifies that it is administering the CDBG program in compliance with its Consolidated Plan and rules, regulations, and certifications required by HUD of its grantees.

**All CDBG funded activities met CDBG national objectives** of providing benefits to low- and moderate-income persons or households.

**CDBG funded activities met all requirements** with regard to providing overall benefit to low- and moderate income persons.

**No actions were taken to limit** the implementations of the Consolidated Plan.

**Regarding Anti-Displacements and Relocation,** Del Paso Nuevo is a multi-year development project located in the Del Paso Heights Redevelopment Project Area of Sacramento. It was designated as a Homeownership Zone by HUD in 1996, and CDBG and Section 108 loan funds are two of the numerous funding sources for this program. The project therefore is subject to HUD regulations governing relocation and minimization of resident displacement. To date, 77 homes have been constructed, 51 percent of which have been sold to low-income households. Due to delays, construction of new homes in Phases IV and V were scheduled to begin in the spring of 2006; however, construction of the model homes started in mid-2007. Land acquisitions with resultant relocation for Phases VI and VII commenced in 2005 and were completed in 2006. Three households were displaced in 2006.

Since the Del Paso Nuevo project, no other projects have been implemented by SHRA using CDBG or Section 108 funds that required relocation.

SHRA attempts to minimize displacement in the planning phases of its proposed projects. For example, in planning for Del Paso Nuevo Phases VI and VII, SHRA staff spent considerable time mapping the boundaries for the proposed land acquisitions that would meet SHRA's commitment to build a total of 300 ownership homes for the Homeownership Zone. The mapping included the proposed location of roadways and infrastructure improvements needed to produce the maximum number of housing units pursuant to local building codes. Parcels targeted for acquisition were identified as vacant land or occupied by owners or tenants who would be eligible for relocation assistance. This process allowed staff to consider the impact displacement would have on the area and to take steps to further refine the mapping to avoid displacement to the extent possible, while still retaining the integrity of the development goals.

After several iterations of the potential mapping for acquisitions and road layouts, and their impact on displacement, staff selected a mapping layout that led to the least amount of residential displacement reducing it from 17 to 12. These included four owner-occupants and eight tenants. The mitigation measures consisted of realignment of the roads so that many acquisitions were partial.

Early in the planning process for the Del Paso Nuevo project, SHRA retained the services of a relocation company to prepare a relocation plan. The Relocation Plan followed the requirements of the State of California Relocation Guidelines and those contained in HUD Handbook 1378. In order to prepare the relocation plan, potentially impacted households who were willing to be interviewed were surveyed. Information collected included household size and composition, ages of occupants, mortgage terms and conditions, rental and income information, length and type of occupancy, ethnicity, language first spoken in the home, disabilities/health problems, and preferences related to replacement housing and location. The planning activities undertaken for Del Paso Nuevo, as described herein, are standard SHRA practices and are used in all projects implemented by SHRA, irrespective of the funding sources.

The Del Paso Nuevo Relocation Plan for Phases VI and VII was approved by the Sacramento City Council on March 17, 2005 and four owner-occupants were relocated that year. Five rental tenants were also relocated in 2005.

Three rental tenants were relocated in 2006. Two of the three households who were very low-income received rental assistance payments pursuant to Section 104(d) requirements. The third rental household was not low income and was eligible for 42 months of rental

assistance. The family elected to purchase a home and the entire amount of their rental assistance was used as a down payment and deposited with a local title company to close escrow. All households that were displaced received all assistance and benefits to which they were eligible under the law. The relocation company worked personally with all households in addressing their needs and facilitating their moves. All relocation has been completed for this project.

Pursuant to CDBG and Section 104(d) requirements, all occupied and vacant occupiable housing that is demolished or converted must be replaced. A one-for-one replacement housing plan was prepared and adopted by the Sacramento City Council on March 17, 2005. Required notices and the plan were published and a copy of the plan and proof of publication were forwarded to the HUD office in San Francisco. The plan called for the replacement of 29 bedrooms within a three-year period after commencement of demolition. In fact, it is anticipated that 31 bedrooms will be replaced during this three-year period.

It is SHRA's practice, where feasible, to hand deliver the General Information Notices to all prospective displaced persons. With respect to Del Paso Nuevo, these were delivered during the survey period for the Relocation Plan. Where personal delivery is not possible, the notices are mailed by Certified Mail, Return Receipt Requested. Notices of Eligibility for Replacement Housing Assistance and other relocation benefits are personally presented to owner-occupants at the same meeting as the purchase offer was made. This is SHRA's preferred method of delivery as it informs the homeowner of the acquisition and relocation process and eligible benefits. Notices of Eligibility for Rental Assistance and other relocation benefits are presented in a meeting with the tenants of the affected properties immediately after the purchase offer has been made to the property owner. All acquisition and relocation activities are coordinated between SHRA acquisition and relocation staff and contracted relocation consultants.

**Regarding low/mod job activities**, there were no loans made in 2007. When loans are made, a Job Creation Participation Agreement is signed by the borrower. This agreement details the CDBG requirements for job creation for low- and moderate-income residents. Information about Sacramento Works One-Stop Career Centers is also provided to businesses to assist in the outreach for job applicants who would meet the criteria. With no loans in 2007 there is also no job creation.

**Regarding low/mod clientele activities**, SHRA's CDBG administrative staff confirms with the subrecipient that income screening is done in accordance with HUD regulations before agreements are executed. In addition, during monitoring visits, CDBG administrative staff reviews income screening documentation to confirm eligibility.

**Regarding program income received all other loan repayments and income from sale of property**, please refer to the Financial Summary report IDIS (C04PR26). Further, no float-funded activities were conducted in 2007.

**Regarding prior period adjustments** – there are no disallowed activities funded, no funds returned to line-of-credit and no reimbursements.

**Regarding loans and other receivables** - there are no float-funded activities were completed in 2007.

**Regarding the list of total number of other loans outstanding and the principal balance owed as of the end of the reporting period, please refer to the attached AmeriNational report at the end of this report, Attachment F.** This report also details

the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.

**Regarding land purchase with CDBG funds-** No land was purchased with City CDBG in 2007 and no land purchased with City CDBG was listed for sale or sold 2007.

**Regarding Housing Rehabilitation, total CDBG funds involved and other public and private funds** please refer to

**Attachment A Resources Expended or Committed and Activities Completed or Committed for Affordable Housing for funding and Attachment E Performance Measurements System Table for information on 2007.**

**Regarding Neighborhood Revitalization Strategies for grantees that have HUD-approved neighborhood revitalization strategies** please refer to

**Attachment D – Del Paso Nuevo Homeownership zone for details.**

## **Antipoverty Strategy**

1. *Describe actions taken during the last year to reduce the number of persons living below the poverty level.*

### **Program Year 5 CAPER Antipoverty Strategy response:**

The City of Sacramento's anti-poverty strategy is based on attracting a range of businesses and providing workforce development including job-training services for low-income residents. In addition, the strategy is to provide supportive services for target-income residents, such as childcare services.

### **Ten-Year Plan to End Chronic Homelessness Update**

The Ten-Year Plan to End Chronic Homelessness presents the strategic and implementation framework to resolve the problem of disabled individuals experiencing homelessness for a year or more or with multiple episodes within a short period of time. The planning effort was led by Mayor Heather Fargo and County Supervisor Roger Dickinson and drew upon the leadership and expertise of community and business leaders, local departments and agencies, local and national agencies working with families and individuals who are homeless, as well as homeless and formerly homeless individuals.

The City Council and Board of Supervisors approved the Plan in September 2006. Implementation began in 2007. It has five key components including:

- Central Intake and Outreach
- Housing First provided through leased housing and through development of permanent supportive housing
- Prevention
- Leadership
- Evaluation/Reporting

For each key component, the Plan develops program elements, designates lead entities, identifies anticipated resources, including new ways to align existing resources, identifies funding gaps and outlines potential challenges to implementation.

### **Sacramento County Department of Human Assistance (DHA)**

#### Welfare-to-Work

DHA continues to develop and coordinate welfare-to-work programs for families and individuals that promote employment and job retention. DHA uses a bifurcated approach in overcoming the barriers to employment, including coordinating community efforts to improve transportation, develop jobs, vocational training and affordable child care while working with each individual participant to assess needs and develop an individualized employment plan to remove barriers to employment. Additionally, DHA has expanded efforts for an innovative partnership with One-Stop Career Centers to create employment connections and increase the income of their participants (which serve employers and job seekers alike).

#### Homeless Programs

DHA is the lead agency for programs serving the homeless and the grantee for most of the HUD funded Supportive Housing Program grants. DHA offers a variety of homeless programs that mitigate homelessness in the City and County of Sacramento by providing emergency shelter, transitional permanent housing, and supportive social services to homeless persons and families.

The Homeless Employment Services Program provides employment counseling, skills assessment and pre-employment training classes. These services are provided to develop individual economic self-sufficiency and training opportunities to employable residents of homeless emergency shelters and transitional housing programs.

### **Department of Health and Human Services (DHHS)**

DHHS is the lead agency for health and human services in the City and County of Sacramento.

DHHS offers a variety of programs one of which is the YouthWORKS program. YouthWORKS is a dynamic after-school program for teens which fosters the development of academic and other skills necessary for future employment and success. YouthWORKS believes that young people are valuable community resources critical to the future of Sacramento. YouthWORKS offers homework and tutoring support, life skills education, and recreational opportunities in safe, structured environments.

For those interested in leadership and management skills, DHHS offers a separate program to augment the YouthWORKS program. The Leadership Development Camp (LDC) is comprised of teens interested in gaining the knowledge and skills needed to be effective leaders such as cultural diversity, communication, project planning, values development, conflict resolution, stress management, and goal setting. The skills and experience acquired can carry over to many different careers. At LDC, leadership is built through:

- **Interactive Learning Sessions-** individual and group activities conducted by camp staff and leadership youth.

- **Recreational Activities** - swimming, volleyball, hiking, basketball, campfires, and other popular activities.
- **Entertainment and Fun** - a variety of special events including a banquet, talent show, newspaper, video, and dance. Adult camp staff work hand-in-hand with youth Staff-In-Training (SIT's). SIT's are youth who have previously attended LDC and are returning in a leadership role. SIT's attend monthly planning meetings throughout the year, participate in pre-camp training, and plan and conduct camp learning sessions. SIT's learning skills include organizing people and materials, obtaining people and materials, and scheduling activities. During camp, they are each assigned cabins, where they serve as role models.

### **California Work Opportunity and Responsibility to Kids (CalWORKs)**

CalWORKs is a welfare program that gives cash aid and services to eligible needy California families. If a family has little or no cash and needs housing, food, utilities, clothing or medical care, they may be eligible to receive immediate short-term help. Families that apply and qualify for ongoing assistance receive money each month to help pay for housing, food and other necessary expenses.

The amount of a family's monthly assistance payment depends on a number of factors, including the number of people who are eligible and the special needs of any of those family members. The income of the family is considered in calculating the amount of cash aid the family receives.

### **Sacramento Employment and Training Agency**

The Sacramento Employment and Training Agency (SETA) works to alleviate poverty through fostering linkages to employment. SETA has been the lead agency dealing with federal employment and training funds. SETA is also the lead entity administering the Workforce Investment Act funds (WIA) which replaced the federal Job Training Partnership Act program. WIA creates a system for provision of employment services through a centralized One-Stop approach; in Sacramento the One-Stops are called Sacramento Works Career Centers (SWCC). Twelve of these Centers are located throughout the Sacramento area and are within or in proximity to low-income census tracts including a satellite location provided at the Greater Sacramento Urban League.

While the WIA provides for universal service to all persons, it is logical to assume those low-income and unemployed individuals living in close proximity to the SWCC would best benefit from the host of services provided by the various employment and training partners at the SWCCs. The mandatory Strategic Five-Year Workplan, available from SETA, describes how this system will meet the needs of low-income individuals, public assistance recipients and people with limited English speaking ability.

## NON-HOMELESS SPECIAL NEEDS

1. *Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).*

### **Program Year 5 CAPER Non-homeless Special Needs response:**

The 2003-2007 Consolidated Plan funding sources are dedicated to housing (and related services) for low-and moderate-income persons. CDBG funds used for housing were used primarily for single-family rehabilitation and homebuyer programs, and HOME funds were primarily used for increasing and improving multi-family housing stock. CDBG and HOME funds also provided funding to maintain affordable housing for certain segments of the population that have difficulty finding decent, affordable housing due to their special needs.

These special-needs populations include but are not limited to the elderly and persons with disabilities. DHA has developed partnerships between state and local governments and community-based non-profits credited for innovative strategies, such as expanding traditional mental health services to include housing for individuals with HIV/AIDS. One particular partnership resulted in the development of Colonia San Martin Permanent Housing Program which will be operated by AIDS Housing Alliance for individuals with HIV/AIDS and their families. About half of the clients are expected to have mental health issues. The 60 unit permanent supportive housing project began construction in 2007 and is expected to be operational by the end of 2008.

### **Specific HOPWA Objectives**

1. *Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives*  
*Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:*
  - a. *That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;*
  - b. *That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;*
  - c. *That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;*
  - d. *That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;*
  - e. *That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,*
  - f. *That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.*

2. *This should be accomplished by providing an executive summary (1-5 pages) that includes:*
  - a. *Grantee Narrative*
    - i. *Grantee and Community Overview*
      - (1) *A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services*
      - (2) *How grant management oversight of project sponsor activities is conducted and how project sponsors are selected*
      - (3) *A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS*
      - (4) *A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body*
      - (5) *What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations*
      - (6) *Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.*
    - ii. *Project Accomplishment Overview*
      - (1) *A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences*
      - (2) *The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds*
      - (3) *A brief description of any unique supportive service or other service delivery models or efforts*
      - (4) *Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.*
    - iii. *Barriers or Trends Overview*
      - (1) *Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement*
      - (2) *Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and*
      - (3) *Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years*
  - b. *Accomplishment Data*
    - i. *Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).*
    - ii. *Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).*

## **Program Year 5 CAPER Specific HOPWA Objectives response:**

**The Counties of Sacramento, El Dorado, Placer and Yolo work together in the Sacramento HOPWA Eligible Metropolitan Statistical Area (EMSA).** The respective county governments administer the HOPWA Program.

Sacramento is comprised of a large metropolitan area that includes the Cities of Sacramento, Elk Grove, Citrus Heights, with dense urban population, and also includes extensive suburban and rural areas. Higher numbers of poor and numbers of persons with HIV/AIDS are found in the City of Sacramento. Persons from outlying areas tend to come to the City for services. The main County government complex is located inside the City.

Yolo County includes urban and suburban West Sacramento and Woodland and a large rural area of towns and villages. Its focus is on farming and agriculture based industry. The urban areas are in renewal. There are many poor areas next to affluent new communities.

Placer County includes urban and suburban Auburn, Grass Valley and many rural towns and villages. Auburn and Grass Valley focus on tourism and wine making. They draw affluent residents making housing costly for the poor.

El Dorado includes urban and suburban Placerville and rural towns and villages. El Dorado County is a retirement and bedroom community for Sacramento. Housing tends to be more expensive and difficult to afford for the persons with income challenges.

The counties provide affordable housing using HOPWA and leveraged funds to provide supportive services, housing assistance, and housing to persons living with HIV/AIDS and their families. They provide mortgage assistance and subsidized rents at transitional and permanent housing sites to help keep housing affordable.

For 2007, reports by the Sacramento County Department of Health and Human Services indicated 1821 persons living with AIDS in the region, and an additional 452 reported to be HIV positive.

**Local housing strategies** were primarily focused on providing permanent supportive housing for low-and extremely low-income individuals. This focus shifted in 2007 toward housing operations and supportive services for persons with HIV/AIDS. In the new Five-Year Consolidated Plan (2008 to 2012), this shift is detailed to include a focus on exploring the possibility of providing tenant based housing assistance to increase the availability of affordable housing to persons with HIV/AIDS in our community.

**Partnerships between state and local governments and community-based non-profits** created innovative strategies that include Volunteers for America (VOA) and AIDS Housing Alliance (AHA). VOA provides emergency housing for persons with HIV and AIDS, who have substance abuse problems. AHA works with VOA to place these program clients in decent and affordable housing when exiting the Open Arms emergency housing project. In 2007, 34 percent of those exiting the program were housed in either subsidized housing or in permanent public housing.

The Colonia San Martin project is collaboration between state and local governments and community-based non-profits that are providing funding and support for this project. This project sets a high bar for housing for persons with HIV/AIDS and creates a community of individually independent one, two and three bedroom apartments that will have a safe,

affordable community feel for the new residents. This project meets energy standards to be a "Green" community. This project is expected to open in 2008.

Many of the HOPWA organizations in this jurisdiction receive Ryan White Funding to enhance or augment services provided. CARES, Yolo, Placer and El Dorado counties, Stevens Place, Cornerstone, and Hidden Cove receive Ryan White funds. Ryan White funding provides a total of more than \$653,000 in 2007 for case management and housing assistance. Over \$1.1 million of Ryan White funds provided medical services to those with living with HIV/AIDS in this EMSA. State Residential AIDS Living Facilities (RALF) helps support Avalon as well as medical services from UCDCM and CARES.

In the Sacramento jurisdiction, HOPWA funding is being used to produce 40 units at the Colonia San Martin Permanent Housing Program, which is currently under construction. Colonia San Martin received a commitment of federal and state tax credits totaling more than \$11,000,000 for acquisition and program operations. Those funds are contingent on the housing project meeting a very aggressive time line of completion and full occupancy in 2008. Other funding includes HOME funds through SHRA, federal AHP funds through the Federal Home Loan Bank, mental health funds, McKinney-Vento funding, donations from Kaiser Permanente and private donations.

Also, HOPWA funding supports a 12-bed emergency housing program, Open Arms, for homeless persons living with HIV/AIDS. Open Arms provides housing for up to 48 persons with HIV/AIDS over the course of a year.

In 2006, a three year contract for HOPWA Case Management services to assist individuals with HIV/AIDS and their families was awarded to MAAP. This project was created as a strategy to supply needed housing and supportive services to persons with HIV/AIDS in conjunction with Shelter Plus Care or other housing. The project provides the required case management to utilize Shelter Plus Care housing subsidies and produce decent and affordable housing units for persons with HIV/AIDS who were homeless and disabled.

**Organizational structure for HOPWA** - The Sacramento Housing and Redevelopment Agency (SHRA) applies for and receives awards of HOPWA funds. SHRA is a joint powers agency which includes the City and County of Sacramento. The County Department of Human Assistance (DHA) is charged, by SHRA, with administering HOPWA funds. DHA utilizes the Homeless Programs Bureau to provide program oversight, and DHA Administration's Contract and Budget Units to provide fiscal support. DHA Homeless Programs and the Contract Unit coordinate efforts to contract with local providers who deliver housing with supportive services to persons with HIV/AIDS in the Sacramento area. El Dorado, Placer and Yolo counties administer their own HOPWA programs but the HOPWA funds are provided by Sacramento County DHA.

**The Sacramento HOPWA Advisory Committee provides** an open discussion and communication forum for expressing the needs of the HIV/AIDS community throughout the EMSA. Best practices are shared for supportive housing or preventing homelessness for persons with HIV/AIDS. The HOPWA Advisory Committee is comprised of a diverse group of local community and faith-based providers. The providers represent facility-based programs, emergency housing programs for homeless persons with HIV/AIDS, mental health services, supportive services programs, medical services for persons with HIV/AIDS. All of the EMSA entities are represented in this group; Sacramento, Yolo, Placer and El Dorado counties. Housing and supportive services are provided by local community-based and faith-based organization in each county.

**For project sponsor and service information, please refer to Exhibit One in the 2007 Continuum of Care on file with the SHRA CDBG office.**

**A Department of Human Assistance (DHA) Program Planner provides oversight** to HOPWA program providers by monitoring the program contracts. The oversight of the programs includes reviewing for the quality and quantity of service to be delivered, reviewing monthly and annual reports of providers and conducting site visits for compliance. DHA also provides quality assurance and oversight through invoice review performed by the DHA Contracts Unit. In 2007, monitoring visits were conducted at MAAP's Case Management and Las Casitas, Sierra Foothills AIDS Foundation provider of El Dorado and Placer County STRMU and included financial and program reviews. DHA continues monitoring contracts and conducting follow up visits to ensure contract compliance.

When HOPWA dollars become available for new projects, sponsors are selected using the following procedure:

- 1) Announce a Request for Proposal in the local newspapers and other mass media to the community, including making announcements to community-based and grassroots faith-based organizations.
- 2) Conduct a mandatory proposer conference.
- 3) Select proposals that fit within the identified need and demonstrate the capacity and history of serving persons with HIV/AIDS. Selection by an independent ranking panel can include representatives of grassroots faith-based and other community-based organizations, which have knowledge of housing and supportive service issues for persons living with HIV/AIDS.
- 4) Posting of the proposed award contingent on approval of the award by the County Board of Supervisors.
- 5) Once awards have been announced sponsors are given the opportunity to appeal and are notified in writing of that procedure.
- 6) Contract for services or housing executed, specific to program and HUD regulations.

**DHA meets with the HOPWA Advisory Committee.** DHA consulted the advisory committee on the emerging issues that adversely affect their ability to serve program participants with HIV/AIDS, identified barriers and explored ways to remove those barriers and enhance affordable and decent housing for persons with HIV/AIDS. Recommendations from the committee were also used as a part of the next Five-Year Consolidated Plan draft which is presented for public comment and reviewing.

Some of the HOPWA Advisory Committee members are also members of the HIV Health Services Council. The HIV Health Services Council also serves this EMA and conducts periodic surveys of the HIV/AIDS community. The California State Office of AIDS, disseminates information through the AIDS Drug Assistance Program Annual Report and through a web site referred to as HIV/AIDS Case Registry, The HOPWA Advisory committee provides suggestions on how to use limited funding for people with HIV/AIDS. The information from various sources and the track records of current providers help DHA to decide where to apply any additional funds above current commitments.

**In addition to HOPWA funds, the following resources support the HIV/AIDS population:**

- o McKinney, Supportive Housing Program including Shelter + Care
- o Ryan White Foundation funds
- o Section 8 housing vouchers
- o Federal and state mental health funds
- o CalWORKS
- o Proposition 10-Youth Substance Abuse funds
- o Cash resources of providers.

In-kind resources including volunteers valued in excess of \$1.5 million.

**Collaboration efforts with related programs are numerous.** The Policy Board of the Ten-Year Plan to End Chronic Homelessness, implemented in January 2007, coordinates its planning efforts through its membership and relationship with other homeless planning groups. Chairs of the committees under the Policy Board are other members of the Interagency Council to End Chronic Homelessness. Members of the Ten-Year Plan committees represent a wide variety of public and private sector participation with diverse representation. Overlapping and duplication of efforts is avoided because most of the Interagency Councilmembers and committee members participate on various other committees in the community, providing the necessary linkages, coordination, information, and representation in the planning effort of the community including those who serve the HIV/AIDS community. One seat of the Interagency Council to End Chronic Homelessness is reserved for a representative for those with HIV/AIDS. This seat is currently filled by the AIDS Housing Alliance. Other efforts supporting HOPWA related homeless planning include: the Mental Health Collaborative, Sacramento Housing Alliance, SRO Collaborative, the Navigator Program in downtown Sacramento, Ryan White Planning Council, HOPWA Advisory Committee, and neighborhood groups.

The providers who are members of the HOPWA Advisory Committee and the Ryan White HIV Health Services Planning Council work collaboratively on issues involving health, housing and well being of persons with HIV/AIDS. Many of the HOPWA Advisory members work on the committees for the HIV Health Planning Council, whose task is to direct funding to service providers and determine the standard of care for program providers. Programs such as AIDS Housing Alliance, Breaking Barriers, CARES and the Placer County Health Department are a few of the providers who collaborate on the HIV Health Council and the HOPWA Advisory Committee. The collaborative efforts of these groups help the community to focus on the priorities and allocation of funds.

**Short-term Rent, Mortgage, Utility Payments** are provided in Sacramento County, by the Center for AIDS Research, Education and Services (CARES). In 2007, CARES served over 299 persons with HIV/AIDS. The average expenditure per eligible participant was \$387. CARES provides direct services to their HIV/AIDS clients but networks with other community providers to assure all supportive services available are utilized.

Placer and El Dorado Counties provided short-term rent mortgage and utility housing assistance to 123 unduplicated eligible participants and their families. The average expenditure per eligible participant, per program, was \$477 per month for rent, mortgage, and utility payments to prevent homelessness. Both programs were operated by the Sierra Foothills AIDS Foundation.

Yolo County provided short-term emergency housing assistance to 70 unduplicated eligible participants and their families. The average expenditure per eligible participant was \$257 per month for rent, mortgage, and utility payments to prevent homelessness. Communicare Health Clinics operates the program.

**Rental Assistance/Tenant Based Rental Assistance** is not currently provided by DHA. This service has been determined to be something to be considered in the next few years. Based on advice from the HOPWA Advisory Committee, DHA hopes to create tenant based rental assistance within the Sacramento Region. The program is to be considered in year 2009, with a possible cost of \$150,000 for that initial year. However, MAAP's Case Management contract does provide the required supportive services for individuals or families, 30 of which are used to leverage Shelter Plus Care housing subsidies.

**Facility-based housing - the Open Arms Project** sponsored by Volunteers of America (VOA) provided clients emergency housing and supportive services for 90 days. Twelve beds were provided for newly identified homeless individuals with HIV/AIDS and serve approximately 48 participants per year. The shelter is a 24-hour facility. The annual cost for operation is \$43,996, supportive service is \$246,340 and administration is \$21,853.

**Aids Housing Alliance (AHA)** operates a combination of temporary and permanent housing which provides a total of 35 beds at Hidden Cove, Cornerstone and Steven's Place, all of which are in stewardship.

In 2007, **Mercy Housing McClellan Park** began to provide housing to persons living with HIV/AIDS. The two-units of permanent supportive housing dedicated to HOPWA eligible clients at the McClellan Park expansion were completed in 2006. This program is in stewardship after fully expending HOPWA funds for acquisition.

**Transitional Living and Community Support (TLCS)** provided nine-units of permanent supportive housing for individuals with HIV/AIDS, who have mental health problems at Southside House, part of their Downtown Co-ops. The program entered into stewardship status in September of 2006. The program was struggling to meet its expenses but has secured some additional funds to continue housing with supportive services.

**MAAP** provides four units of permanent supportive housing at Las Casitas. The four-unit apartment complex serves individuals with HIV/AIDS and their families. This program is in stewardship and is fully funded by other funding sources, such as Ryan White.

**As far back as 1998**, Cornerstone obtained HOPWA funds to acquire and rehabilitate six units. Since that time, as many as 61 additional units including Avalon, Stevens Place, Las Casitas and Serna Village have been rehabilitated.

**MAAP provided intensive supportive services** to individuals or families in Shelter Plus Care or other housing for 57 formerly homeless individuals living with HIV/AIDS to assist them in meeting the Continuum of Care strategies and goals.

**Other accomplishments include** construction began on the Colonia San Martin Permanent Housing Program that will provide 40 units of one, two, and three-bedroom apartments in the south county area for individuals or families. The AIDS Housing Alliance was awarded \$900,000 in HOPWA funds for project development and services at the site. In addition, SHRA provided \$2.9 million in HOME and local Housing Trust funds to the project. Project completion and occupancy is anticipated by the end of 2008.

**Several barriers encountered by the City of Sacramento, include:**

- reduction or lack of Section 8 housing vouchers to meet the needs of the community;
- individuals who have previously been evicted are hard to place since landlords consider them high risk;
- identifying service needs for persons living with HIV/AIDS due to longer life expectancy;
- no cost of living increases or inflationary increases for operating expenses;
- the current demand on housing makes affordable housing difficult to obtain;
- prioritization of limited funding for various sub-populations.

**Other types of barriers encountered are:**

- Ambiguous regulatory language which make it hard to interpret the intent of the program;
- Insufficient IDIS training for program staff that is specific to federal programs such as HOPWA and ESG;
- A difficult and time consuming data entry system (IDIS) for operators;
- Providers have a difficult time providing statistics that are both timely and accurate;
- Conflicting priorities/deadlines and a lack of coordination/direction between funding sources and agencies.

**The current trend** is for many funding sources to concentrate on the development of housing. However, additional funding is still required to cover supportive service costs. Supportive services funding is also restrictive and has been reduced or is not available. As a consequence, development dollars are unable to be maximized creating a potential loss of housing development funding and putting the neediest clients dangerously at risk.

**Additionally, a new strain of HIV** is causing a rapid onset of AIDS. Current medications are not as helpful with the new strain of HIV. Also, for those HIV/AIDS clients who have accessed health care and therefore successfully managed their disease for many years, advancing age is causing more dependence on services. The convergence of these two circumstances will result in the growth of infected individuals and the impact of needed services in the next few years.

In addition, according to the Sacramento HOPWA Advisory Committee, many providers of services to persons who have HIV/AIDS have witnessed approximately half of their participants suffering from some sort mental health problems. It has been reported that some of the drugs for persons with HIV/AIDS cause dementia problems, further exacerbating the dependence of supportive services and new drug therapy.

## HOPWA Accomplishment Data

Please refer to Attachment H - HOPWA Performance Measurement Outcomes (HUD Form 40110-D) for information. Form 40110D contains CAPER Charts 1,2,3, and 4.

### Program Year 5 CAPER Specific HOPWA Objectives response:

The following specific HOPWA objectives were established in the Five-Year Consolidated Plan for 2003-2007 for Sacramento which also serves El Dorado, Placer and Yolo Counties:

1. Continue to provide supportive services to 1,250 persons living with HIV/AIDS (countywide) annually.

During 2007, with over \$1.2 million of HOPWA funds and with \$794,000 in leveraged funds, housing and services were provided to the HIV population in Sacramento.

Through community efforts, housing needs were provided to 648 unduplicated individuals with HIV/AIDS in 2007. Over 1,600 supportive services were provided in 2007 to these 648 persons. This brought the total for the past five years to over 2,261 individuals served. Over 7,500 supportive services were provided to over 2,261 unduplicated persons with HIV/AIDS from 2003 through 2007.

2. Continue to provide housing assistance to benefit approximately 50 households in the County annually.

In 2007, housing assistance was provided to 661 households. At the beginning of this year, only 63 percent of the persons served were in permanent supportive housing. At the end of 2007, 93 percent of the 661 persons served were in permanent supportive housing.

3. Continue to assist in development of transitional housing for persons with HIV/AIDS in the County, with the goal of achieving 20 units over five years.

It was originally thought that transitional housing would be the focus when this goal was set in 2002 and few HOPWA facility based housing projects existed. However, over time the focus shifted. The Continuum as a whole made permanent supportive housing a priority and the HOPWA program adopted this same focus. Over the past five years, the community through HOPWA funds has created 49 units of permanent supportive housing that is specific to the needs of persons with HIV/AIDS

## OTHER NARRATIVE

Not applicable.