

APPROVED
BY RESOLUTION# 2011-0509
BOARD OF SUPERVISORS

COUNTY OF SACRAMENTO
CALIFORNIA

JUN 21 2011

By Cyndi Lee
Clerk of the Board

For the Agenda of:
June 21, 2011
3:45pm

To: Board of Supervisors of the County of Sacramento
From: Sacramento Housing and Redevelopment Agency
Subject: County Of Sacramento Community Development Block Grant (CDBG) Program, HOME Investment Partnership (HOME) Mid-Year Action Plan And Amendment For The Neighborhood Stabilization Program 3 (NSP3) Update
Supervisorial District: All
Contact: Gregory Wessel, Assistant Director, 440-1346
Chris Pahule, Assistant Director, 440-1350
Geoffrey Ross, Program Manager, 440-1357

Overview

The final fiscal year 2011 federal budget included a reduction to domestic discretionary spending that resulted in a substantial decrease in funding from the U.S. Department of Housing and Urban Development (HUD). As a result this report identifies significant modifications to the original 2011 Action Plan to account for a 16.7 percent reduction to the Community Development Block Grant (CDBG) Program; a 11.7 percent reduction to the Home Investment Partnership (HOME) Program; and a 38.6 percent increase to the Emergency Shelter Grant (ESG) Program. Each year to ensure the timely expenditure and efficient administration of community development funds originating from HUD the Sacramento Housing and Redevelopment Agency (Agency) conducts mid-year updates to the Annual Action Plan like those contained in this report. This report amends various years' Action Plans by de-funding and re-appropriating CDBG, HOME, ESG, and Neighborhood Stabilization Program 3 (NSP3) funds. Activities being de-funded are those that have been completed or cancelled. Newly identified activities recommended for funding as part of this staff report are scheduled to be implemented and completed within the next 18 months to comply with federal regulations governing the timely expenditure of funds.

Recommendations:

Board of Supervisors

1. Authorizes the Sacramento Housing and Redevelopment Agency (Agency) to defund previously approved CDBG activities that have been completed, modified and/or cancelled in the aggregate amount of \$100,000 as detailed in Attachment II and reprogram the funds to CDBG Unallocated Capital Reserve;
2. Authorizes the Agency to allocate \$100,000 of Capital Reserve funds for new and continuing CDBG activities to be completed within the next 18 months, and amend the Agency budget accordingly;
3. Amends various One-Year Action Plans governing the use of entitlement and revolving loan funds for various CDBG activities, and amends the Agency budget accordingly;

4. Authorizes the Agency Executive Director, or designee, to execute all necessary agreements and contracts to carry out the recommended activities described in this report;
5. Authorizes SHRA to establish two revolving fund accounts for NSP3 to receive payments on loans from Vacant Property Program and Property Recycling Program activities, to be used for future activities in those programs respectively;
6. Authorizes the Interim County Executive to execute all necessary agreements and contracts to carry out the recommended activities described in this report.

Fiscal Impact

The report requests authority to amend the Agency budget to: 1) defund CDBG cancelled and/or completed projects in the amount of \$707,707 and allocate the funds to capital reserve; 2) allocate \$100,000 to the Mather Project Area and allocate \$414,000 to First Time Homebuyer Program. With the changes to previous year Action Plans, the capital reserve account is at a level of \$595,499. To absorb the current year reduction the Fiscal Year 2011 Capital Reserve allocation has been reduced to \$0, mandatory reductions to Public Services and Administrative activities due to capped spending limits were realized, and three projects that would not comply with the 18-month expenditure requirement are proposed to be cancelled.

BACKGROUND

Staff is proposing changes to the County of Sacramento's 2011 One-Year Action Plan and adjustments to the Agency budget, both of which were approved by the Board of Supervisors in October 2010. This Mid-Year update to the 2011 Action Plan will also serve to update the County Consolidated Plan and revisions will be submitted to HUD. The Consolidated Plan is a five-year planning document covering the period of 2008-2012. The Consolidated Plan identifies the County's housing and community development needs and describes a long-term strategy for meeting those needs. In addition to providing a broad policy framework, the Consolidated Plan specifically addresses four federally-funded housing and community development programs: CDBG (NSP is a special funding allocation of CDBG), HOME, Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). (HOPWA is funded through the City of Sacramento but serves both the City and County of Sacramento.) The following paragraphs specify the proposed changes to projects or programs.

DISCUSSION

The 2011 One-Year Action Plan was approved by the Board of Supervisors on October 26, 2010 and submitted to HUD on November 15, 2010. The funding levels were based on the 2010 grant formula allocations and guidance from the Administration that funding for federal domestic programs would be maintained at 2010 levels for 3 years. In January of 2011 a new Congress was convened and reductions in domestic spending became a higher priority in ongoing budget discussions. In March of 2011, the Federal budget was adopted with dramatic cuts to CDBG and HOME programs.

The infrastructure and public improvement projects recommended in the 2011 Mid-Year Action Plan amendment are in support of Board of Supervisors and various department priorities, as well as previous commitments to support projects currently underway throughout the County. The reductions from the previously approved 2011 Action Plan budget were realized by mandatory reductions to capped activities under Public Services and Administration; as well as cost savings from completed or cancelled projects, and reducing the capital reserve allocation for the fiscal year.

Staff recommends that previously approved CDBG appropriations presented in Attachment II be reprogrammed. Staff further recommends that the appropriations outlined in Attachment III be made available to activities that will be completed within the next 18 months to ensure the timely expenditure of funds as required by HUD.

In February 2011, SHRA submitted a Substantial Amendment for the Neighborhood Stabilization Program relating to the Wall Street Reform Act of 2010. As part of the Act, funding for a third round of Neighborhood Stabilization Program (NSP3) was provided. Two of the programs identified as part of the Substantial Amendment were the Vacant Properties Program and the Property Recycling Program. Both programs will generate funds through the repayment of loans as part of NSP3; HUD defines such payments as program income per the Code of Federal Regulations Title 24 Part 570.500(b). Staff recommends establishing revolving fund accounts for the purpose of carrying out specific activities which, in turn, generate payments to the funds for use in carrying out the same activities in each program respectively.

SHRA plans to establish two revolving funds account using the repayment of loans from the programs to be the funding source for future acquisition and rehabilitation projects within the parameters of the Vacant Property and Property Recycling Programs.

COMMISSION ACTION

At its June 1, 2011 meeting, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Alcalay, Burruss, Chan, Fowler, Morgan, Morton, Rosa, Stivers, Shah

NOES: None

ABSENT: Gore, Johnson

MEASURES/EVALUATIONS

The proposed de-funding and appropriation of funds for new and existing activities are consistent with the goals and objectives of the approved County of Sacramento's 2008-2012 Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: community services, housing, homeless facilities and services, public improvements and facilities, economic development, planning and administration.

FINANCIAL ANALYSIS

The proposed actions authorize the amendment of the Agency budget and various years' One-Year Action Plans to defund CDBG cancelled and/or completed projects in the amount of \$707,707, as detailed in Attachment II and allocates the funds to capital reserve. The resolution also reallocates funds in the amount of \$514,000, to new activities or previously funded activities detailed in Attachment III which can be completed within 18 months as required by HUD.

POLICY CONSIDERATIONS

The recommendations in this staff report are consistent with previously approved policies and federal requirements; the County of Sacramento's 2008-2013 Housing Element of the General Plan adopted December 17, 2008. Policy HE-15 of the Housing Element indicates that the County shall "Support efforts to alleviate the individual and community problems associated with mortgage default and foreclosure". The recommendations are also consistent with the County of Sacramento's 2008-12 Consolidated Plan adopted October 23, 2007.

ENVIRONMENTAL REVIEW

CDBG This action constitutes updates to existing planning studies, budget amendments, and designation of authority to carry out activities associated with the allocation of funding only. This action does not constitute approval for any specific projects, or the allocation of funding to any specific projects, that may have an adverse effect on the environment. As such, these actions are exempt from or do not require environmental review under the California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA).

All new federally funded projects are subject to environmental review under the requirements of the National Environmental Policy Act (NEPA) and per HUD regulations prior to any commitment of federal funds for expenditures, unless they are exempt from such review. Commitment of funding for new projects that could result in a direct or indirect physical change to the environment is subject to environmental review under the California Environmental Quality Act, (CEQA) if implementation of the projects is authorized as part of the budgeting process. Therefore, the appropriate level of CEQA and/or NEPA review will be carried out for individual projects under this plan as they are identified.

M/WBE CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that funding.

Respectfully submitted,

APPROVED

LA SHELLIE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

STEVEN C. SZALAY
Interim County Executive

Attachments:

RES – County BOS Resolution

ATT I – 2011 County One-Year Action Plan Activities Revised

ATT II – Defunded Activities for Various Years' Action Plan

ATT III – Amendment to 2011 Action Plan Activities

RESOLUTION NO. 2011-0509

AMENDMENT TO THE COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) VARIOUS YEARS' ACTION PLANS, HOME INVESTMENT PARTNERSHIP (HOME), EMERGENCY SHELTER GRANT (ESG), AND NEIGHBORHOOD STABILIZATION PROGRAM 3 (NSP3);

WHEREAS, on October 23, 2007, the County of Sacramento Board of Supervisors approved the 2008-2012 Consolidated Plan; and

WHEREAS, on October 21, 2008, the County of Sacramento Board of Supervisors approved a substantial amendment to the 2008 – 2012 Consolidated Plan containing Neighborhood Stabilization Plan (NSP); and

WHEREAS, on October 26, 2010, the County of Sacramento Board of Supervisors approved the 2011 One-Year Action Plan; and

WHEREAS, on February 15, 2011, the Sacramento County Board of Supervisors approved substantial amendment to the 2010 CDBG One Year Action plan for the third round of funding to the Neighborhood Stabilization Program (NSP3); and

WHEREAS, on April 15, 2011, President Obama signed the budget agreement covering spending for the 2011 fiscal year with revised allocation for HUD; and

WHEREAS, the U.S. Department of Housing and Urban Development requires adoption of an annual Action Plan, consistent with the five year Consolidated Plan, to identify the programs and projects for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG) programs, and Neighborhood Stabilization Program (NSP); and

WHEREAS, a duly noticed public hearing was held on June 1, 2011;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:

Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. The Sacramento Housing and Redevelopment Agency (Agency) is authorized to amend the County Action Plans and the Agency Budget as follows:

- Reallocate CDBG, HOME, and ESG funds in Attachment I - 2011 County One Year Action Plan Activities Revised to reflect the change in funding allocation from HUD;
- Reallocate \$100,000 CDBG 2009 Fruitridge-Pocket Traffic Calming Project to Capital Reserve;

- Reallocate \$414,000 CDBG Single Family Rehabilitation Program RLF to First Time Homebuyer Program RLF;
- Reallocate \$193,707 CDBG 2009 Orangevale Avenue Sidewalk Improvements to Capital Reserve; and
- •Allocate \$100,000 CDBG from Capital Reserve to the Mather Project Area.

Section 3. The Agency is authorized to amend the Agency Budget to allocate CDBG funding for programs and projects in accordance with the amendment of the prior years' Action Plan.

Section 4. The Agency is authorized to execute all necessary agreements and contracts to carry out the recommended activities described in this report, each in a form approved by Agency Counsel.

Section 5. The Agency is authorized to establish two revolving fund accounts as part of NSP3 to receive re-payments of loans from the Vacant Property Program and Property Recycling Program activities to be used for future activities in each program respectively.

Section 6. The Agency is authorized to submit the amendments of the 2011 One Year Action Plan and prior years' Action Plan to HUD.

Section 7 The County Executive is authorized to execute all necessary agreements and contracts to carry out the recommended activities described in this report, each in a form approved by County Counsel.

On a motion by Supervisor Yee, seconded by Supervisor Nottoli, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 21st day of June, 2011, by the following vote, to wit:

AYES: Supervisors, Nottoli, Peters, Serna, Yee, MacGlashan

NOES: Supervisors, None

ABSENT: Supervisors, None

ABSTAIN: Supervisors, None

Roberta MacGlashan

Chair, Board of Supervisors
of Sacramento County, California



In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on 6/21/11

V. Rodgers
Deputy Clerk, Board of Supervisors

FILED
BOARD OF SUPERVISORS

JUN 21, 2011

BY *Cyndi Lee*
CLERK OF THE BOARD

ATTEST:

Cyndi Lee
Clerk, Board of Supervisors

County of Sacramento

2011 One Year Action Plan Activities

The U.S. Department of Housing and Urban Development (HUD) requires a consolidated planning process for the federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and Emergency Shelter Grant (ESG) programs. This process consolidates multiple grant application requirements into a single submission. The concept of the Consolidated Plan was developed to further HUD's statutory goals through a collaborative process involving the community to establish a unified vision for future community development actions.

The adopted Five-Year Consolidated Plan outlines proposed strategies for the expenditure of CDBG, HOME, and ESG funds for the period 2008-2012. In general, the mission of the Consolidated Plan is to revitalize selected lower-income neighborhoods and to assist disadvantaged populations by providing adequate public facilities and services, generating affordable housing opportunities, and stimulating economic development.

The One-Year Action Plan is the annual update to the Consolidated Plan. A key component of the One-Year Action Plan is the allocation of funds to proposed activities. This portion of the plan describes activities the jurisdiction will undertake in the coming year, including geographic locations and proposed accomplishments. Proposed activities address the priority needs and specific objectives of the 2008-2012 Consolidated Plan, adopted by the Sacramento Board of Supervisors on October 23, 2007.

The 2011 One-Year Action Plan is based on the following estimated revenues:

Revenue Source	Estimated Revenue	Actual Revenue
CDBG Entitlement	\$6,299,492	\$5,246,979
CDBG Program Income	\$129,742	\$129,742
HOME Entitlement	\$3,498,265	\$3,088,547
HOME Program Income	\$307,000	\$307,000
ESG Entitlement	\$256,249	\$354,602
Total Revenues	\$10,490,748	\$9,126,870

The following summarizes proposed activities for 2011. Activities are organized into the following categories; funding totals for each category are indicated.

Funding Category	Proposed HUD Funding	Actual HUD Funding
Infrastructure and Public Improvements	\$1,003,999	\$753,999
Housing Development, Preservation and Homeownership	\$5,934,488	\$5,565,985
Commercial Revitalization	\$15,000	\$15,000
Public Services	\$1,139,647	\$1,168,346
Agreement Cities	\$200,000	\$200,000
HUD Loan Repayments	\$39,742	\$39,742
Grant Planning and Administration	\$1,635,274	\$1,383,798
CDBG Capital Reserve	\$522,598	\$0
Total Funding	\$10,490,748	\$9,126,870

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS

The infrastructure and public improvement projects recommended in the 2011 One-Year Action Plan are allocated by Board of Supervisor district. Each supervisorial district contains low- and moderate-income census tracts, and each Supervisorial district allocation is based on the percentage of low- and moderate-income population residing in the District according to the 2000 Census. Districts 1, 2, 3, and 5 receive allocations during the current five-year Consolidated Plan. District 4 does not have a significant number of low- and moderate-income census tracts, so it does not receive a CDBG allocation.

The following are recommended capital improvements of public or community-based facilities and public rights-of-way to be completed within 18 months. These activities, when appropriate, will be coordinated with other County Departments to maximize leveraging with the County's capital improvement plan.

Activity Name	Funding	Change	Source
Orange Avenue Infrastructure Improvements Design (District 2): Funds will be used for the design of infrastructure improvements to Orange Avenue from Highway 99 to Stockton Boulevard.	\$250,000	\$0	CDBG
Hood Park ADA Improvements (District 5): Funds will be used for improvements to comply with Americans with Disabilities Act (ADA) in Hood Park.	\$50,000	\$50,000	CDBG
Jean Harvey Community Center (District 5): Funds will be used for improvements to include rehabilitation of the water line at Jean Harvey community center.	\$150,000	\$150,000	CDBG
Capital Improvement Project Scoping: Funding for scoping, cost estimates, conceptual design, and or environmental for CDBG-eligible projects. Location and scope to be determined by an internal process of requests on first-come, first-served basis. CDBG staff to determine eligibility of activity.	\$100,000	\$100,000	CDBG
Public Improvements Delivery: Staffing and supportive services for capital improvement projects in 2011.	\$453,999	\$453,999	CDBG
Total Infrastructure and Public Improvements	\$1,003,999	\$753,999	

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP
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Multi-Family Housing Acquisition and Rehabilitation: Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family housing.	\$20,000	\$20,000	CDBG PI
	\$1,434,124	\$1,266,033	HOME
	\$153,500	\$153,500	HOME PI
Multi-Family Housing New Construction: Provides loans for the construction of low- and moderate-income multi-family housing.	\$1,434,124	\$1,266,031	HOME
	\$153,500	\$153,500	HOME PI
City of Citrus Heights First-Time Homebuyer Program: Provides down payment assistance, closing costs, homeownership education and counseling to income eligible first-time homebuyers.	\$280,190	\$247,629	HOME
Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications.	\$300,000	\$300,000	CDBG

Tenant-Based Rental Assistance for Residents at Risk of Homelessness: Funds will be used for implementation of HOME eligible activities to address the housing needs of low-income residents of Sacramento County who are recently homeless or about to become homeless. The implementation includes housing location services and tenant-based rental assistance to meet a portion of residents' housing costs for a limited time.

\$600,000

\$600,000

CDBG

Activity Name	Funding	Change	Source
Norcade/Lerwick Block Project: Funds will be used to rehabilitate housing units and development of public facilities to serve the low and moderate income housing complex.	\$750,000	\$750,000	CDBG
Single-Family Rehabilitation Program: Provides rehabilitation loans up to \$50,000 to owner-occupant low- and moderate-income homeowners.	\$15,000	\$15,000	CDBG PI
Minor Repair & ADA for Seniors and Low Income Homeowners Program: Provides for administrative costs associated with minor home repairs for low- and moderate-income homeowners and the administrative oversight for the Home Assistance Repair Program for Seniors (HARPS).	\$46,000	\$46,000	CDBG
Folsom Single-Family Rehabilitation Loan Program: Provides rehabilitation loans to income eligible owner-occupant low- and moderate-income homeowners.	\$40,000	\$40,000	CDBG PI
County Code Enforcement: Provides funds for County code enforcement staff to address boarded and/or vacant and substandard residential properties in low- and moderate-income areas through the Multi-Family Rental Inspection Program.	\$490,000	\$490,000	CDBG
Single-Family Rehabilitation, Emergency Repair/Accessibility Grant Program Delivery: Supportive services for the single-family rehabilitation, emergency repair/accessibility programs in 2011.	\$128,844	\$129,086	CDBG
Homeownership Assistance Delivery: Supportive services for the Homeownership Programs in 2011.	\$89,206	\$89,206	CDBG
Total Housing Development, Preservation and Homeownership	\$5,934,488	\$5,565,985	

COMMERCIAL REVITALIZATION

The following are recommended activities to provide financial and technical assistance to revitalize distressed business communities.

Commercial Revitalization Program: The program operates as a zero-interest loan program in Rio Linda, Old Foothill Farms, Old Florin Town, Walnut Grove, and in the Auburn Boulevard Redevelopment Area, using CDBG funding for façade improvements and correction of code violations.	\$15,000	\$15,001	CDBG PI
Total Commercial Revitalization	\$15,000	\$15,000	

PUBLIC SERVICES

The following are recommended funding allocations to support human assistance programs. For CDBG, HUD limits funding for public services to 15 percent of the total amount of entitlement and program income.

Emergency Shelter Grant Program: Funding of shelter(s) to provide approximately 100 bed 24 hour shelter for women and children, with a 90 day stay.	\$256,249	\$354,602	ESG
Senior Nutrition Program: Provides meals to homebound seniors and to non-homebound seniors at over 21 dining sites.	\$348,778	\$348,778	CDBG
Homeless Shelter & Services: Provides shelter, food, medical screening & assessments, detoxification, counseling services, and recovery program to public inebriates and homeless.	\$324,120	\$324,120	CDBG

Activity Name	Funding	Change	Source
2-1-1 Sacramento: Provides information which links callers with organizations providing housing, transportation, health, and other services in low- and moderate-income areas. Also, provides a single infusion of funds to conduct initial screening for callers needing Homelessness Prevention and Rapid Re-Housing services. Assesses callers' eligibility for the program and refers them to the appropriate service providers.	\$119,000	\$106,040	CDBG
Senior Services: Provides recreational programs and educational services to seniors in the Delta. This is the last year of match requirements for Federal funds. Operated by the County Parks Department.	\$10,000	\$0	CDBG
Youth Services: Provides operational support to various recreational and vocational services for youth and seniors in low- and moderate-income neighborhoods.	\$81,500	\$34,806	CDBG
Total Public Services:	\$1,139,647	\$1,168,346	

The following are funding allocations to incorporated areas within the County. The cities of Rancho Cordova, Elk Grove and Citrus Heights receive CDBG directly from HUD.

Folsom - ADA Compliance Project: Funds will be used to ADA compliance of pedestrian facilities. Improvement may include, but not limited to sidewalk ramps, sidewalk accessibility, and assistive devices at traffic signals.	\$200,000	\$200,000	CDBG
Total Agreement Cities	\$200,000	\$200,000	

LOAN REPAYMENTS

The following are debt service payments for HUD Section 108 loans and internal SHRA loans for commercial revitalization, job creation, and infrastructure development.

Section 108 Loan Repayment: Annual debt service on Section 108 loan funds used for Auburn Boulevard Hampton Inn & Suites.	\$39,742	\$39,743	CDBG PI
Loan Repayment Total	\$39,742	\$39,742	

GRANT PLANNING AND ADMINISTRATION

The following are related to CDBG program planning, community participation and general program administration. For CDBG, HUD limits funding for planning and administration to 20 percent of the total amount of entitlement and program income. For HOME, the limit is 10 percent.

Ten-Year Plan to End Chronic Homelessness: Administrative services for the implementation of the Plan.	\$173,000	\$170,000	CDBG
Multi-Family District Assessment Planning: Funds will be used for planning, consultant and feasibility studies for the creation of strategies to address problematic multi-family streets and areas, potentially resulting in the formation of Multi-Family improvement districts (MID) in CDBG eligible areas.	\$40,000	\$0	CDBG
2013-2017 Consolidated Plan: Costs associated with the development of the 2013-2017 Consolidated Plan.	\$75,000	\$75,000	CDBG
Homeless Administration: Administrative funding for the implementation of the CDBG funded Detox and Homeless programs.	\$77,500	\$77,500	CDBG

Furthering Fair Housing: Provides administrative support for fair housing activities, including investigations, referral, mediation, outreach, education, and fair housing audits.

\$92,903

\$92,903

CDBG

Activity Name	Funding	Change	Source
HOME Program Administration: Administrative services for the implementation of HOME-funded activities in 2011.	\$349,827	\$308,854	HOME
CDBG Planning: Project and program planning for CDBG activities in 2011.	\$104,144	\$104,144	CDBG
CDBG Administration: Administrative services for CDBG projects and programs in 2011.	\$722,900	\$555,397	CDBG
Total Grant Planning and Administration:	\$1,635,274	\$1,383,798	

CDBG CAPITAL RESERVE

Capital Reserve: reserve account for overruns in capital improvement activities and to fund budgeted activities in 2011 if CDBG entitlement is less than anticipated. The reserve is also available to cover unanticipated project and program costs to bring an activity to completion. The full amount of the reserve is available to ensure the timely completion of the activities.	\$522,598	\$0	CDBG
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* There is a balance of Capital Reserve from previous years of \$595,499 to be used in 2011.

**County of Sacramento
Defunded Activities for Various Years' Action Plan**

Activities being defunded are those that have been completed, cancelled or funded through alternative sources. Newly funded activities are scheduled to be implemented and completed by December 31, 2012 to comply with federal regulations governing the timely expenditure of funds.

CDBG		
Recommendation	Amount	Fund
2009 Fruitridge-Pocket Traffic Calming Project (District 1): Funds will be used for the design and construction of residential traffic calming measures. Improvements may include speed bumps, raised crosswalks, curb extensions, pedestrian islands, signage, striping, narrowing vertical and horizontal measures, diversion devices, and other measures to calm traffic. Project is complete; staff recommends funds be reprogrammed to Capital Reserve.	\$100,000	CDBG
2009 Orangevale Avenue Sidewalk Improvements (District 4): Project funds for construction of pedestrian improvements, including curb, gutter, sidewalks, street pavement, drainage and associated construction and clearing fees along Main Avenue. Project is complete; staff recommends funds be reprogrammed to Capital Reserve.	\$193,707	CDBG
Single Family Rehabilitation Program (RLF): Provides rehabilitation loans up to \$50,000 to owner-occupant low- and moderate-income homeowners. Due to the market conditions the program is not moving; staff recommends reprogramming funds to First Time Homebuyer Program.	\$414,000	CDBG
Total	\$707,707	

**County of Sacramento
Amendment to 2011 Action Plan**

This report formally amends the 2011 Action Plan by augmenting existing and new projects with CDBG. These activities have been identified as those that need immediate funding. Also, these adjustments will facilitate timely expenditures as required by HUD.

CDBG		
Recommendation	Amount	Fund
Mather Project Area: Funds will be used for demolition of deteriorated and obsolete substandard structures on the former Mather and McClellan Air Force bases.	\$100,000	CDBG
First Time Homebuyer Program (RLF): Provides up to \$40,000 in down payment and closing cost assistance to income eligible first-time homebuyers.	\$414,000	CDBG
Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities in 2011 if CDBG entitlement is less than anticipated.	\$193,707	CDBG
Total	\$707,707	