



REPORT TO COUNCIL HH
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
June 21, 2011

Honorable Mayor and Members of the City Council

Title: Mid-Year Update to the 2011 One-Year Action Plan Community Development Block Grant (CDBG) Program, Amendment to The Neighborhood Stabilization Program 3 (NSP3), and Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget.

Location/Council District: Citywide

Recommendation: Adopt 1) a **City Council Resolution:** a) approving amendments to the 2011 One-Year Action Plan Budget and various years' Action Plans; b) authorizing the Sacramento Housing and Redevelopment Agency (SHRA) to submit the amendments to the 2011 One-Year Action Plan and various years' Action Plans to the U.S. Department of Housing and Urban Development (HUD); c) authorizing the Interim City Manager and the SHRA Executive Director to execute agreements and contracts with the appropriate entities to carry out the Community Development Block Grant (CDBG) funded activities; d) amending the SHRA Budget to allocate the CDBG funding for programs and projects in accordance with the amendment of the prior years' Action Plans; e); authorizing SHRA to establish two revolving fund accounts to receive loan payments from NSP3 activities to be used for future NSP3 activities; and f); amending the SHRA budget to receive program income from NSP3 rehabilitation activities;

Contact: Gregory H. Wessel, Assistant Director, 440-1346, Chris Pahule, Assistant Director, 440-1350, Geoffrey Ross, Program Manager, 440-1357

Presenters: Geoffrey Ross, Program Manager

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: 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 CDBG Program; a 11.7 percent

reduction to the 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. This report requests approval of: 1) the Mid-Year 2011 One-Year Action Plan Update, 2) proposed amendments to prior year Action Plans, and 3) submission of the revised documents to HUD. The 2011 One-Year Action Plan describes community development activities funded by the City through the use of federal community development funding originating from HUD, and any amendments are required to be submitted to HUD each year. Please refer to Exhibit A, Exhibit B and C to the City Resolution for the list of activities to be reprogrammed from previously approved appropriations and allocated to new and existing activities which must be completed in the next 18 months as required by HUD.

Policy Considerations: The recommended actions in this staff report are consistent with the 2008-2013 Housing Element of the General Plan, adopted November 18, 2008, which indicates that "The City shall support efforts to alleviate the individual and community problems associated with mortgage default and foreclosure." To implement this policy, the Housing Element includes program 19, committing the City to enact a comprehensive plan for addressing the foreclosure crisis, including "neighborhood reinvestment strategies." The recommended actions are also consistent with the City of Sacramento's 2008-12 Consolidated Plan adopted October 23, 2007 and substantially amended for the Neighborhood Stabilization Program on October 21, 2008

Environmental Considerations:

California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA): Community Development Block Grant 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 CEQA or 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.

Sustainability Considerations: The Projects included in this report have been reviewed for consistency with the goals, policies and targets of the Sustainability Master Plan and the 2030 General Plan. If approved, the contents of this report will advance the following goals, policies and targets as follows: the project supports Goal number five – Public health and Nutrition, item 3 – Create Healthy Urban Environments through Restorative Redevelopment.

Committee/Commission Action: *Sacramento Housing and Redevelopment Commission:* 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

Rationale for Recommendation: As a condition of the receipt of various federal grants provided through HUD, the regulations require the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using goals and priorities described in the Consolidated Plan. Any amendments to the One-Year Action plan must also be submitted to HUD. The proposed de-funding and appropriation of funds to new and existing activities, which can be completed within 18 months, are consistent with the goals and objectives of the City of Sacramento's 2008-2012 Consolidated Plan, approved by the Council on October 23, 2007.

Financial Considerations: This report recommends the amendment of the 2011 and prior years' Agency budgets to reprogram \$451,902 of previously approved CDBG funds from cancelled and/or completed projects and capital reserve. It also recommends amending various years' One-Year Action Plans to reflect defundings, augmentations, and new appropriations totaling \$40,000. Please see Exhibits B and C to this report for a complete list of projects and funding amounts.

M/WBE Considerations: Minority and Woman’s Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. To the extent possible, SHRA shall encourage all participants to hire locally and to partner with emerging small businesses

Respectfully Submitted by: 
LA SHELLE DOZIER
Executive Director

Recommendation Approved:

Approved as to form:


for WILLIAM EDGAR
Interim City Manager


Agency Counsel

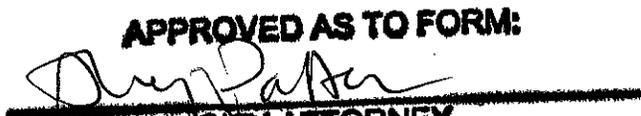
APPROVED AS TO FORM:

CITY ATTORNEY

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Background

New activities, reprogramming of previous years' funds, submission of a substantial amendment to the Consolidated Plan and the use of the funds are based upon Consolidated Plan priorities adopted by the City Council on October 23, 2007.

CDBG

The 2011 One-Year Action Plan was approved by the City Council 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. Exhibit A reflects the changes to the submitted activities necessary to address the reduced funding.

The infrastructure and public improvement projects recommended in the 2011 Mid-Year Action Plan amendment are in support of Council District and various department priorities, as well as previous commitments to support projects currently underway throughout the City. 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 diminishing the entire capital reserve.

District funding allocations are based on the most current federal budget trends and the percentage of low- and moderate-income population residing in the district as documented in the 2000 census. Other actions to further the Consolidated Plan strategies as required by HUD are described in the Action Plan Narrative, the Public Housing Authority Administrative Plan, the Citizen Participation Plan, the Continuum of Care Plan and the Ten-Year Plan to End Chronic Homelessness. These documents are on file with the Agency Clerk.

Neighborhood Stabilization Program 3 (NSP3)

Revolving Loan Fund. 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 two revolving fund accounts for the purpose of carrying out specific activities in both programs.



RESOLUTION NO. 2011 -

Adopted by the Sacramento City Council

on date of

AMENDMENT TO THE CITY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG), NEIGHBORHOOD STABILIZATION PROGRAM (NSP), AND VARIOUS YEARS' ACTION PLANS

BACKGROUND

- A. On October 23, 2007, the Sacramento City Council approved the 2008-2012 Consolidated Plan. The Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy for meeting those needs. In addition, it specifically addresses federally funded housing and community development programs: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Shelter Grant (ESG) Programs. (Resolution – 1003-02)
- B. On October 26, 2010, the Sacramento City Council approved the 2011 One-Year Action Plan. (Resolution – 2010-627)
- C. On February 15, 2011, the Sacramento City Council approved a substantial amendment to the 2010 CDBG One Year Action plan for the Neighborhood Stabilization Program 3 (NSP3). (Resolution – 2011-087)
- D. On April 15, 2011, President Obama signed the Fiscal Year 2011 (FY11) budget agreement covering federal spending for the remainder of the year with a revised allocation for HUD.
- E. The Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities of the Consolidated Plan.
- F. A noticed public hearing soliciting comments on the Mid-Year update to the 2011 One-Year Action Plan and Agency budget was held by the Sacramento Housing and Redevelopment Commission on June 1, 2011.
- G. 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 CEQA or NEPA.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are approved.
- Section 2. The 2011 One-Year Action Plan revised to reflect changes to the projects set out in Exhibit A, which is attached to this resolution, is hereby approved.
- Section 3. The Sacramento Housing and Redevelopment Agency (Agency) is authorized to amend various years' Action Plans as set out in Exhibit B, which is attached to this resolution.
- Section 4. The 2011 One-Year Action Plan is amended to add the projects set out in Exhibit C, which is attached to this resolution, and is hereby approved.
- Section 5. The Agency is authorized to amend the Agency Budget to allocate the CDBG funding for programs and projects in accordance with the amendment of the prior years' Action Plan.
- Section 6. The Agency is authorized to establish two revolving fund accounts for NSP3, to receive re-payments of loans from the Vacant Property Program and Property Recycling Program to be used for future activities by each program respectively.
- Section 7. The Agency is authorized to submit the amendments of the 2011 One-Year Action Plan and prior years' Action Plan to HUD.
- Section 8. The City Manager is authorized to execute all necessary agreements with the Agency to carry out the recommended activities described in this resolution, each in a form approved by the City Attorney.
- Section 9. The Agency, by action of its Executive Director or designee, is authorized to execute all necessary agreements and contracts to carry out the recommended activities described in this resolution, each in a form approved by Agency Counsel.

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Exhibit A: 2011 City One-Year Action Plan Activities Revised

Exhibit B: Defunded Activities for Various Years' Action Plan

Exhibit C: Amendments to 2011 One-Year Action Plan Activities



City 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); Housing Opportunities for Persons with AIDS (HOPWA); 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 Five-Year Consolidated Plan outlines proposed strategies for the expenditure of CDBG, HOME, HOPWA, 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 2008-2012 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. Proposed activities address the priority needs and specific objectives of the 2008-2012 Consolidated Plan, adopted by the Sacramento City Council on October 23, 2007 and subsequently amended for Neighborhood Stabilization Program (NSP) October 21, 2008; Homeless Prevention and Rapid Re-Housing Program (HPRP) May 12, 2009; and Community Development Block Grant – Recovery Act (CDBG-R) May 22, 2009.

In addition, a description of other actions to further the Consolidated Plan strategies is required by HUD as part of the One-Year Action Plan application. These include the Public Housing Authority Administrative Plan, the Citizen Participation Plan, the Continuum of Care Plan and the 10-Year Plan to End Chronic Homelessness. These documents, on file with the Agency Clerk, are incorporated into this staff report and the record by this reference.

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

Revenue Source	Estimated Revenue	Actual Revenue
CDBG Entitlement	\$6,266,315	\$5,227,448
CDBG Program Income	\$145,848	\$145,848
HOME Entitlement	\$3,478,137	\$3,070,337
HOME Program Income	\$322,493	\$322,493
ESG Entitlement	\$254,485	\$352,735
HOPWA Entitlement	\$906,991	\$884,723
HOPWA Reprogramming	\$41,927	\$90,737
Total Revenue	\$11,416,196	\$10,094,321

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	\$1,539,511	\$1,538,511
Housing Development, Preservation and Homeownership	\$4,859,168	\$4,447,145
Public Services	\$2,129,153	\$2,114,003
Commercial Revitalization	\$9,996	\$9,996
Grant Planning and Administration	\$1,623,613	\$1,385,817
HUD Loan Repayments	\$598,849	\$598,849
CDBG Capital Reserve	\$655,906	\$0
Total Revenue	\$11,416,196	\$10,094,321

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP
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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 City Departments to maximize leveraging with the City's capital improvement plans.

Activity Name	Funding	Change	Source
Mack Road Median Improvements (District 8): Funds will be used for median improvements to Mack Road east of Center Parkway, approximately 710 linear feet.	\$90,000	\$90,000	CDBG
Del Paso Nuevo 6/Rio Linda Super Block: Funds will be used for infrastructure improvement in support of low- and moderate-income housing in the Del Paso Nuevo Homeownership Zone and the Rio Linda Super Block.	\$1,031,349	\$1,031,349	CDBG
Capital Improvement Project Scoping: Funding for early 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	\$99,000	CDBG
Public Improvements Implementation: Staffing and supportive services for capital improvement projects in 2011.	\$318,162	\$318,162	CDBG
Total Infrastructure and Public Improvements	\$1,539,511	\$1,538,511	

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.	\$58,155 \$1,565,163 \$161,247	\$58,155 \$1,381,651 \$161,247	CDBG PI HOME HOME PI
Multi-Family Housing New Construction: Provides loans for the construction of multi-family housing.	\$1,565,163 \$161,246	\$1,381,652 \$161,246	HOME HOME PI
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	\$255,000	CDBG
Single-Family Rehabilitation Program: Provides rehabilitation loans up to \$50,000 to owner-occupant low- and moderate-income homeowners.	\$25,545	\$25,545	CDBG PI

Activity Name	Funding	Change	Source
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).	\$46,625	\$46,625	CDBG
City Code Enforcement: Provides funds for City code enforcement staff to address boarded and/or vacant and substandard residential properties in low- and moderate-income areas.	\$250,000	\$250,000	CDBG
Las Victorianas Rehabilitation: Funds will be used rehabilitate multi-family housing complex operated by the Public Housing Authority.	\$500,000	\$500,000	CDBG
Single-Family Rehabilitation, Emergency Repair/Accessibility Grant Program Delivery: Supportive services for the single-family rehabilitation emergency repair/accessibility programs in 2011	\$135,140	\$135,140	CDBG
Homeownership Assistance Delivery: Supportive services for the Homeownership Program in 2011.	\$90,884	\$90,884	CDBG
Total Housing Development, Preservation, and Homeownership	\$4,859,168	\$4,447,145	

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 along commercial corridors, using CDBG funding for facade improvements and correction of code violations	\$9,996	\$9,996	CDBG PI
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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 Program: Funding of shelter(s) to provide approximately 100 bed 24 hour shelter for women and children, with a 90 day stay.	\$254,485	\$352,735	ESG
Homeless Shelter & Services: Provides shelter, food, medical screening & assessments, detoxification, counseling services, and recovery program to public inebriates and homeless.	\$55,000	\$50,000	CDBG
Senior Nutrition Program: Provides meals to homebound seniors and to non-homebound seniors at over 21 dining sites.	\$486,750	\$486,750	CDBG

Activity Name	Funding	Change	Source
Phoenix Park Resource Center: Provides funds for utility payments, resource center office expenses, and resource center staff.	\$25,000	\$25,000	CDBG
2-1-1 Sacramento: Provides information which links callers with organizations providing housing, transportation, health, and other services in low- and moderate-income areas.	\$119,000	\$74,600	CDBG
Downtown SRO Supportive Services: Provides coordination of health and human services, crisis intervention, independent living skills, drug and alcohol recovery, and community building activities at four downtown hotels. The service center is located at 719 J Street.	\$120,000	\$120,000	CDBG
Youth Services: Youth program connecting teens with peers and adults in an environment that fosters safety, relationship building, skill development, youth participation, and community involvement.	\$80,000	\$16,000	CDBG
Keys to Hope: Funding to be provided to Sacramento Self Help Housing, Inc. (SSHH) will be used for the provision of supportive services for clients enrolled in the Keys to Hope Program for approximately 40 chronically homeless individuals placed in shared housing throughout the City of Sacramento.	\$40,000	\$40,000	CDBG
HOPWA - CARES: Provides intensive case management to 30 individuals participating in the Shelter Plus Care program and 30 individuals who live in other housing, who may be single or a member of a family, and are formerly homeless persons living with HIV/AIDS.	\$80,000	\$80,000	HOPWA
HOPWA - Volunteers of America – Open Arms: Operates an emergency shelter for homeless individuals with HIV/AIDS. Individuals are eligible for 90 days of emergency shelter including chemical dependency assessment, meals, transportation and assistance into permanent housing.	\$312,189	\$312,189	HOPWA
HOPWA - AIDS Housing Alliance – Colonia San Martin: Provider is acquiring 40 permanent housing units for persons with HIV/AIDS. One unit will be an operations office. In addition to housing, on-site supportive services will also be provided.	\$141,633	\$141,633	HOPWA
HOPWA - Center for AIDS Research, Education and Services (CARES) - Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County.	\$142,725	\$142,725	HOPWA
HOPWA - Transitional Living and Community Support (TLCS): Provides clean and sober facility-based housing with supportive services for persons with HIV/AIDS and mental disabilities at a community residence with 9 – 1 bedroom units (one bedroom has 2 beds) Provides 24 hour property manager. Also provides weekly supportive services and educational and social activities for residents.	\$87,537	\$87,537	HOPWA
HOPWA - Placer County – Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County, Department of Human Assistance for Placer County.	\$52,757	\$52,757	HOPWA

Activity Name	Funding	Change	Source
HOPWA - El Dorado County – Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County Department of Human Assistance for El Dorado County	\$49,157	\$49,157	HOPWA
HOPWA - CommuniCare Health Clinics-Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County, Department of Human Assistance for Yolo County.	\$43,320	\$43,320	HOPWA
HOPWA - AIDS Housing Alliance – Steven Place: Provides for 16 units of housing for persons living with HIV/AIDS. In addition to housing, on-site supportive services will also be provided.	\$39,600	\$39,600	HOPWA
Total Public Services	\$2,129,153	\$2,114,003	

HUD LOAN REPAYMENTS

The following 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 payment on Section 108 loan funds. If program income is utilized towards the debt service payment then unused entitlement funds will be utilized towards project costs.	\$546,697	\$546,697	CDBG
	\$52,152	\$52,152	CDBG PI

GRANT PLANNING AND ADMINISTRATION

The following are related to immediate/intermediate term 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.

Further Fair Housing: Provides administrative support for fair housing activities, including investigations, referral mediation, outreach, education, and fair housing audits through RFP/RFQ process.	\$92,903	\$92,903	CDBG
Ten-Year Plan to End Chronic Homelessness: Administrative services for the implementation of the Plan.	\$173,000	\$154,000	CDBG
Broadway Study: Funds will be used for planning activities including revitalization strategies, economic feasibility and transportation studies, and environmental review.	\$120,000	\$0	CDBG
2013-2017 Consolidated Plan: Costs associated with the development of the 2013-2017 Consolidated Plan.	\$75,000	\$75,000	CDBG
Downtown Lighting Study (District 1): Funds will be used to conduct a lighting study in the downtown area from I Street to L Street, 7th Street to 16th Street.	\$30,000	\$0	CDBG

Activity Name	Funding	Change	Source
CDBG Planning: Project and program planning for CDBG activities in 2011.	\$123,566	\$123,566	CDBG
CDBG Administration: Administrative services for CDBG programs in 2011.	\$661,333	\$606,772	CDBG
HOME Program Administration: Administrative services for the implementation of HOME-funded activities in 2011.	\$347,811	\$307,034	HOME
HOPWA Program Administration: Administrative services by DHA for the implementation of HOPWA-funded activities in 2011.	\$0	\$26,542	HOPWA
Total Grant Planning and Administration:	\$1,623,613	\$1,385,817	

CDBG CAPITAL RESERVE

Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities to the extent necessary to implement and ensure the timely completion of the activities.	\$655,906	\$0	CDBG
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* There is a balance of Capital Reserve from previous years to be used in 2011.



**City 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
Florin Road Median Improvements (District 8): Provides funds for median improvements, including curb, street pavement, trees, landscaping, irrigation, and associated minor drainage improvements at the intersection of Florin Road and Tamoshanter Way. Project is complete; staff recommends funds be reprogrammed to Capital Reserve.	\$106,902	CDBG
ADA North Sacramento School District Building (District 2): Funds will be used to retrofit building to comply with Americans with Disabilities Act (ADA). Due to budgetary issues the North Sacramento School District has decided not to move forward with this project. Staff recommends reprogramming funds to capital reserve.	\$345,000	CDBG
Total	\$451,902	



**City 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
Downtown Street Lighting (District 1): Funds will be used to retrofit street lights on 7th Street, 8th Street, and 12th Street, between J and L streets with new higher illuminating energy efficient LED bulbs to enhance safety for pedestrians and drivers. (approximately 30 replacements)	\$40,000	CDBG
Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities to the extent necessary to implement and ensure the timely completion of the activities.	\$411,902	CDBG
Total	\$451,902	