



INVESTING IN COMMUNITIES

NOTICE OF REGULAR MEETING
**Sacramento Housing and Redevelopment
Commission**

Wednesday, March 15, 2017 – 6:00 pm
801 12th Street, 2nd Floor Commission Room, Sacramento CA

Teleconference Location
Hyatt Regency Washington on Capitol Hill
400 New Jersey Ave, NW Washington DC 20001 - Lobby

ROLL CALL

APPROVAL OF AGENDA

CITIZENS COMMENTS

While the Commission welcomes and encourages participation in the Commission meetings, please limit your comments to three minutes, so that everyone may be heard. If you wish to speak under Citizens Comments or on a posted agenda item, please fill out a speaker card and present it to the Agency Clerk. SHRA provides opportunities for the public to address the Commission at this time in order to listen to opinions regarding non-agendized matters within the subject matter jurisdiction of SHRA. Consistent with the Brown Act, the public comment periods on the agenda are not intended to be "question and answer" periods or conversations with Commission members. Members of the public with questions are encouraged to contact staff before or after the meeting. Commission attendees are requested to silence any electronic devices that they have in their possession during the meeting.

1. **APPROVAL OF MINUTES** - February 1, 2017 and February 15, 2017

CONSENT ITEMS

2. Authorization to Contract with Property Management Service Provider for Norcade Circle Properties
3. Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento – County Report
4. Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento – City Report

DISCUSSION/BUSINESS ITEMS

5. Authorization and Acceptance of the Performance Partnership Pilots for Disconnected Youth (P3) Grant – City report
6. Authorization and Acceptance of the Performance Partnership Pilots for Disconnected Youth (P3) Grant – County report
7. Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento – Commission report

PUBLIC HEARING ITEMS

8. Housing Authority Resources to Serve the Homeless - City report

9. Housing Authority Resources to Serve the Homeless - County report

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

REPORTS: Copies of documents relating to agenda items are available for review in the Agency Clerk's office located at 801 12th Street, Sacramento CA 95814. Agendas and reports are also posted online at www.shra.org. Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public inspection in the Agency Clerk's office during normal business hours and will also be available at the meeting.

AMERICANS WITH DISABILITIES ACT: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.



INVESTING IN COMMUNITIES

MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Meeting of February 1, 2017 Meeting noticed on January 27, 2017

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Creswell. A quorum of members was present.

MEMBERS PRESENT: Alcalay, Creswell, Griffin, Johnson, Macedo, Morgan, Painter, Simas, Staajabu

MEMBERS ABSENT: Raab, Rios

STAFF PRESENT: La Shelle Dozier, Tyrone Williams, David Levin, Vickie Smith, Christine Weichert, Susan Veazey, Terren Wing, Bern Wikhammer

APPROVAL OF AGENDA – agenda approved as submitted.

CITIZENS COMMENTS

Jefferey Tardaguilla provided comment.

1. APPROVAL OF MINUTES – January 18th, 2017 meeting – The minutes for the meeting were approved unanimously as submitted.

DISCUSSION ITEMS/STAFF REPORTS

2. Approval of Agency Loan and Disposition of Land for the Shasta Hotel

Terren Wing presented the item.

Chair Creswell asked for information to be sent regarding the nonprofits affiliated with SHRA. Commissioners Johnson and Alcalay requested tours of the Shasta and other downtown properties.

Bob Erlenbusch - Sacramento Coalition to end homelessness. Mr Erlenbush encouraged staff to look at using the Department of Education standard of homelessness as a guide.

Chris Jensen – RIL

Brian Talcott – Womens Empowerment – in favor. Wanted to link homeless to jobs/economic development

Joan Burke – Loaves and fishes

Jenn Fleming - Mercy housing

Holly Wonder-Styles – Mutual housing

Sandra Hammame

Sarah Steinheimer – Legal Services

Darryl Rutherford – Sacramento Housing Alliance

Bill Hamilton

Kate Hutcherson – Lutheran Social Services

The following individuals provided comments in opposition to allocating vouchers to the homeless.

Belinda Rianda – opposed – discussed concerns about housing for the homeless taking priority over housing for disabled and individuals from outside of Sacramento taking vouchers away from Sacramento residents.

Keith Sharwood – North Natomas Community Alliance - discussed general concerns about impact on neighborhood if voucher holders without services live in communities where they might be impacted by individuals with alcohol and drug issues.

Chris Parris – discussed general concerns about impact on neighborhood if voucher holders without services live in communities where they might be impacted by individuals with alcohol and drug issues. Also wanted to make sure Sacramento residents were prioritized.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None

EXECUTIVE DIRECTOR REPORT

La Shelle Dozier reviewed the following:

1. The next meeting will be held March 1st.
2. SHRA website has been update to include a new transparency page

COMMISSION CHAIR REPORT

Chair Creswell announced that an individual is needed to serve on the Sacramento Heritage Board. The representative must be a City appointee.

ADJOURNMENT

As there was no further business to be conducted, Chair Creswell adjourned at 8:00 pm.

Clerk



INVESTING IN COMMUNITIES

MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Meeting of February 15, 2017 Meeting noticed on February 10, 2017

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Creswell. A quorum of members was present.

MEMBERS PRESENT: Alcalay, Creswell, Griffin, Johnson, Macedo, Morgan, Painter, Raab, Simas, Staajabu

MEMBERS ABSENT: Rios

STAFF PRESENT: La Shelle Dozier, Tyrone Williams, David Levin, Vickie Smith, Christine Weichert, MaryLiz Paulson, Angela Jones, Sarah Thomas, Joanna Davis, Mark Hamilton, Jim Shields, Lira Goff

APPROVAL OF AGENDA – agenda approved as submitted.

CITIZENS COMMENTS - NONE

WORKSHOP

1. Discussion regarding how to Align Housing and Services for the Homeless

Sarah Thomas presented the item.

The following individuals spoke regarding the item and were in favor of allocating 1600 vouchers to the homeless

Richard Abrusci – Goodwill/Community Link

Suzi Dotson – Wind Youth Services

John Foley

Howard Lawrence Sacramento ACT

On a motion by Commissioner Griffin, seconded by Commissioner Morgan, the Commission recommended approval of the staff recommendation for the items listed above. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Johnson, Macedo, Morgan,
Painter, Simas, Staajabu

NOES: None

ABSENT: Raab, Rios

ABSTAIN: None

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commission members made the following comments related to January 31st joint meeting of the City and County to discuss homeless issues and possible homeless preference for the HCV and public housing programs.

- Commissioners Johnson and Griffin thanked staff for their work on this issue.
- Commissioners Alcalay and Creswell proposed that this should be discussed further by the Engagement Committee.
- Commissioner Painter indicated that the Board and Council need to discuss permanent sources of housing funds.
- Commissioner Macedo proposed a statement or resolution to outline the position of the Commission and would like to have an in depth discussion about how vouchers priorities are set at a future meeting.
- Chair Creswell requested an overview of the 11 different waitlists and more information about the veteran's preference.

EXECUTIVE DIRECTOR REPORT

La Shelle Dozier reviewed the following:

1. The next meeting will be held February 15th which will be a homeless preference workshop.
2. March 15th will be a second meeting for the Commission regarding a future homeless preference.
3. Thanks for attending joint meeting on January 31st.

COMMISSION CHAIR REPORT

Chair Creswell also thanked the Commission for attending the January 31st meeting.

ADJOURNMENT

As there was no further business to be conducted, Chair Creswell adjourned at 7:05 pm.

Clerk



March 10, 2017

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Authorization to Contract with Property Management Service Provider for Norcade
Circle Properties

SUMMARY

The attached informational report is presented for your review prior to review by the
County of Sacramento.

RECOMMENDATION

Approve the staff recommendation as outlined in the report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

March 15, 2017



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT Authorization to Contract with Property Management Service Provider for
Norcade Circle Properties

RECOMMENDATION

Staff recommends approval of the attached resolution which authorizes the Executive Director or her designee to award and execute a contract, in standard agency form as approved by agency counsel, with the John Stewart Company according to adopted Sacramento Housing and Redevelopment Agency (Agency) Procurement Policy and Procedures for property management services at Housing Authority properties located at 2816, 2820, and 2832 Norcade Circle, Sacramento. The contract term will be one year with four one-year optional extensions based on performance.

CONTACT PERSONS

MaryLiz Paulson, Assistant Director of Housing, 916-440-1334
Cecette Hawkins, Management Analyst, 916-449-6218

SUMMARY

The Housing Authority (HA) owns 12 rental units on Norcade Circle in Sacramento. John Stewart Company (JSCo) is currently managing 40 units for units owned by Eric and Paul Olsen Norcade LLC (EPO Norcade) which is located immediately adjacent to Housing Authority owned properties on Norcade Circle. JSCo uses the EPO Norcade management office to manage and perform the day-to-day tasks associated with both the HA owned and EPO Norcade owned properties. They have an extensive knowledge of the HA property, experience with the current management process, and the properties are contiguous, allowing JSCo to have a daily visible presence at the HA property. Staff is seeking authority to enter into a contract, in standard agency form as approved by agency counsel, with JSCo for one year with four optional one year extensions for the Norcade Circle properties.

BACKGROUND

In October 2008, Norcade Circle was identified as one of two target areas for the Block Acquisition and Rehabilitation Program (Block Program) created as part of the Neighborhood Stabilization Program (NSP) funded through the Housing and Economic Recovery Act of 2008 (HERA). The Block Program was designed as a strategy to acquire, rehabilitate (or demolish and rebuild), and maintain, as common rental property, units in designated areas where foreclosures and vacant properties magnified existing physical and social blight issues. The Housing Authority purchased 12 rental units on Norcade Circle in Sacramento County (see Attachment 1-Map) that had been blighted and in need of substantial rehabilitation and the Block Program funded the rehabilitation of these units for affordable housing. To comprehensively address the challenges now facing Norcade Circle, it was decided that inclusive ownership and uniform property management was necessary to eliminate blighting conditions and to improve the stock of affordable housing in the area.

FINANCIAL CONSIDERATIONS

This report does not recommend an amendment to the Housing Authority budget. Property Management services are fee-for-service contracts whereby the revenue from operations covers the cost of the services provided.

POLICY CONSIDERATIONS

The recommendations in this report are consistent with the Housing Authority's Five Year and Annual Plan goals to improve the community's quality of life and economic vitality, and its mission to promote adequate and affordable housing, economic opportunities, and a suitable living environment.


ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): Award and execution of contracts is an administrative and fiscal activity and is therefore not considered a project under CEQA, per 14 California Code of Regulations (CCR) §15378(b), and exempt under NEPA per 24 Code of Federal Regulations (CFR) §58.34(a)(2) and (3). Property management services are not considered not a project under CEQA per 14 CCR §15378(b), and are exempt under NEPA per 24 CFR §58.34(a) (3) and (a)(12).

M/WBE AND SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain federal funding. Section 3 requirements will be applied to the extent as may be applicable.

Respectfully submitted,

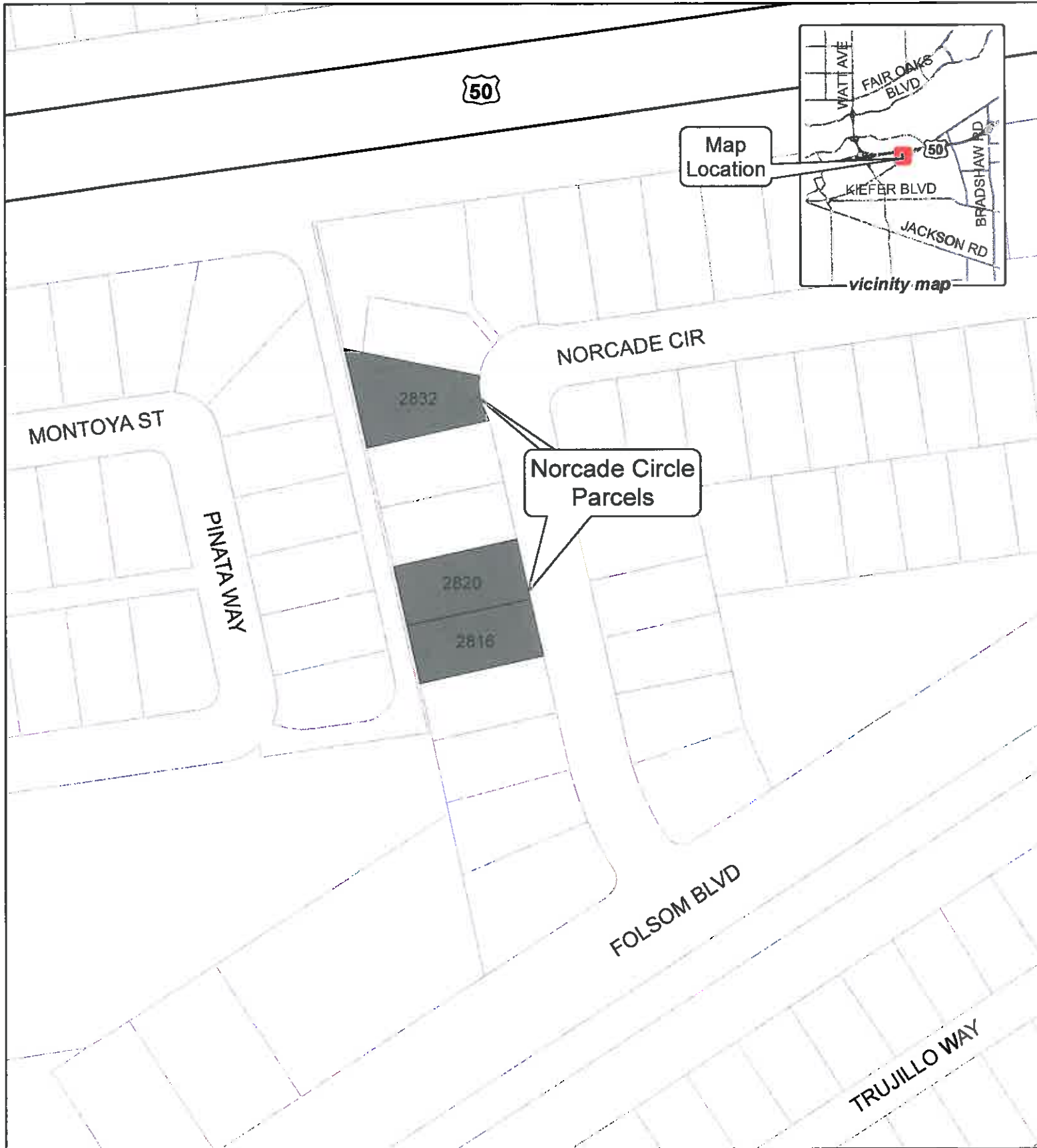

LA SHELLE DOZIER
Executive Director

Attachments

Attachment 1 - Map of Norcade Circle
Attachment 2 - Resolution



Norcade Circle



 Norcade Circle Parcel

0 100 200 Feet



SHRA GIS
January 11, 2017

RESOLUTION NO. SHRC-_____

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

March 15, 2017

AUTHORIZATION TO CONTRACT WITH PROPERTY MANAGEMENT SERVICE FOR NORCADE CIRCLE PROPERTIES

NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1: All the evidence presented having been fully considered, including but not limited to the environmental findings that the actions herein are Exempt under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): Award and execution of contracts is not considered a project under CEQA, per 14 California Code of Regulations (CCR) §15378(b), and are exempt under NEPA per 24 Code of Federal Regulations (CFR) §58.34(a)(2) and (3). Property management services are not considered a project under CEQA per 14 CCR §15378(b), and are exempt under NEPA per 24 CFR 58.34(a)(3) and (s)(12).

Section 2: The Executive Director or her designee is authorized to award and execute a contract, in standard agency form as approved by agency counsel, with John Stewart Company according to the adopted Agency Procurement Policy and Procedures for property management services at the Housing Authority properties located at 2816, 2820, and 2832 Norcade Circle, Sacramento, CA 95826. The contract term will be one year with four one-year optional extensions, based on performance.

CHAIR

ATTEST:

CLERK



March 10, 2017

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento

SUMMARY

The attached informational report is presented for your review prior to review by the County of Sacramento.

RECOMMENDATION

Informational report only – no specific recommendation.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
March 21, 2017

To: Board of Supervisors and the Housing Authority of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Award Of 75 Veteran Affairs Supportive Housing (VASH) Vouchers To House Homeless Veterans In Sacramento

Supervisory

District: All

Contact:

La Shelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency, 440-1319

Sarah Thomas, Assistant Director, Housing Choice Voucher Program, 449-6346

Overview

On November 14, 2016, the Sacramento Housing and Redevelopment Agency (SHRA), through its constituent entity the Housing Authority of the County of Sacramento (Housing Authority), was contingently awarded 75 project-based vouchers through a nationwide competitive process which was led by the Department of Housing and Urban Development's Veteran's Affairs Supportive Housing Program (HUD-VASH) pursuant to Public and Indian Housing (PIH) Notice 2016-11. The goal of the HUD-VASH Program is to create more permanent supportive housing for homeless, low-income veterans. This report provides an overview of the status of these vouchers.

The award of 75 HUD-VASH vouchers was the maximum a jurisdiction could receive as part of the 'post award' selection process. The award stated that the Housing Authority as part of a 'post award' process must start the local competitive procedure to solicit interest from developers to build/rehabilitate/or provide available housing for homeless veterans, and final recommendations must be made to the United States Department of Housing and Urban Development (HUD) within six months of the award date (by May 13, 2017).

Shortly after receiving the allocation of vouchers, the Housing Authority released a Request for Proposals (RFP) in December 2016 to solicit proposals from developers to build new/rehabilitate and/or provide existing housing units to house homeless veterans.

The Housing Authority received three proposals in response to the RFP and staff is recommending to the U.S. Department of Housing and Urban Development (HUD) that all three proposals be awarded 25 vouchers each, for a total of 75 HUD-VASH vouchers.

The following projects are recommended to receive the vouchers:

- Mercy Housing California – Mather Veteran's Village Phase III - new construction.
- Jamboree – Studios at Hotel Berry - existing units
- McCormack, Baron and Salazar (MBS) – Twin Rivers Phase I - new construction

This recommendation and information on each project will be submitted to HUD prior their deadline of May 13, 2017 to receive final approval.

Recommendations

It is recommended that the Board receive and file this report.

Measures/Evaluation

75 homeless veterans will receive housing through project-based units. 50 homeless veterans will move into newly constructed units that will be ready for occupancy by 2019. 25 existing housing units (at the Hotel Berry) will be made available to homeless veterans upon receipt of final HUD approval. Of these 25 existing units, per HUD regulations, at least one unit must be available for occupancy within 60 days after project award, with all 25 units occupied by veterans within a twelve-month period (Spring 2018). No existing residents at the Hotel Berry will be displaced. All homeless veterans will be served based on turnover of units over time.

Fiscal Impact

HUD has obligated \$45,150 in rental subsidies per month to pay for 75 HUD-VASH project based vouchers. The total award is \$541,800 on an annual basis.

BACKGROUND

In 2010, HUD identified reducing homelessness among veterans as one of its primary goals. At that time, it was estimated that there were 131,000 homeless veterans nationwide. Ongoing initiatives by HUD helped housing authorities provide housing resources to the veterans in tandem with supportive services provided by the U.S. Department of Veteran Affairs (VA) through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program. Since 2010, the rate of veteran homelessness has decreased by 50 percent nationwide, and the number of homeless veterans continues to decrease.

The primary purpose of the HUD-VASH program is to provide rental subsidies to help low-income, homeless veterans find decent, safe, and affordable housing. HUD realized that, with the tightening rental market, homeless veterans were having a difficult time finding units in the private rental market and the VASH vouchers were seen as a means to alleviate that problem. Since 2009, the Housing Authority has incrementally received a total of 437 HUD-VASH vouchers. In 2014, despite the challenges of the rental market, the Housing Authority received the HUD-VASH Program of the Year award for leasing up over 92 percent of allocated HUD-VASH vouchers and housing homeless veterans expeditiously. With the addition of the 75 new vouchers, there will be 512 HUD-VASH vouchers housing homeless veterans in Sacramento. The vouchers received by Sacramento have been a mix of tenant-based (vouchers which remain with the tenant) and project-based vouchers (vouchers which are tied to a specific unit).

In July 2016, HUD set aside approximately \$15 million in HUD-VASH funding to project base approximately 2,000 units for homeless veterans and their families nationwide. The Housing Authority applied for the funds and was contingently awarded 75 Project-Based Vouchers in

November 2016 through this competitive funding. The goal for these vouchers was to provide homeless veterans and their families with access to affordable permanent supportive housing which included supportive services.

In accordance with HUD's Public and Indian Housing (PIH) Notice 2016-11, the Housing Authority immediately released a Request for Proposals (RFP) in December 2016 to solicit proposals from owners or developers with the ability to provide rental units to low income, homeless veterans and their families. Per the HUD-VASH award a total of 75 vouchers could be issued with subsidies tied to specific rental units for an initial period of 15 years, which could be extended for an additional period of up to 15 years.

As part of the RFP process, the following goals for the HUD-VASH PBV program were established as priorities:

- The creation of additional housing through the use of existing units that do not require rehabilitation, rehabilitation of existing units, and the construction of new housing units.
- The creation of additional "permanently" affordable housing units with long-term affordability restrictions included.
- The creation of additional units which include supportive services for homeless veterans.
- The creation of housing in close proximity or with easy access to medical and support services through the housing-first model.

Respondents to the RFP were required to provide units affordable to families earning 50 percent of the area median income (AMI) or below, and either requiring no rehabilitation, rehabilitation of existing market rate units for affordable housing, or new construction. Projects were also required to commit to administering a housing-first approach.

DISCUSSION

The Housing Authority received three proposals in response to the RFP in February 2017. The Housing Authority is recommending to HUD that all three projects be awarded 25 vouchers each contingent upon environmental clearance and meeting all HUD guidelines. The projects are as follows:

Mercy Housing California – Mather Veteran's Village Phase III: 25 HUD-VASH Vouchers

Located in the City of Rancho Cordova, in Sacramento County, the project will add a total of 50 new housing units to the Mather Veteran's Village Project with 25 of these units to be set aside for homeless, low-income veterans and their families. Families will receive case management services from the VA as well as the Veteran's Resource Center of America (VRCA). The developer (Mercy Housing) is in the process of securing low income housing tax credits and other funding for construction. Phase I of the project was recently completed and included 25 VASH project based vouchers as part of their financing.

Jamboree – Studios at Hotel Berry: 25 HUD-VASH Vouchers

Located in the City of Sacramento, this recently rehabilitated single room occupancy (SRO) development will utilize 25 vouchers to house homeless veterans from its 130 units. An onsite

Residential Services Coordinator employed by Transforming Lives, Cultivating Success (TLCS) will provide direct supportive services to the veterans in addition to the services provided by the VA. Per HUD regulations, at least one unit must be available for occupancy within 60 days after project award (and approval from HUD), with all 25 units must be occupied within a twelve-month period from project award. No current residents will be displaced. Veterans will be housed as units become vacant.

McCormack Baron and Salazar (MBS)– Twin Rivers Phase I: 25 HUD-VASH Vouchers

Located in the City of Sacramento and owned by the Housing Authority of the County, the Twin Rivers public housing development currently houses 218 families. The proposed project is part of the Choice Neighborhood Initiative to create a mixture of new public housing, work force and market-rate units. The proposed project includes a total of 106 affordable units with 25 units to be set aside for homeless veterans and their families. The remainder will be tax credit and market-rate units. The developer (McCormack Baron and Salazar) is working to secure low income housing tax credits and mortgage revenue bonds to finance the construction. Support services for the families will be provided by the VA as well as by Urban Strategies, a non-profit affiliate of MBS.

With the addition of these vouchers in the community, 75 homeless veterans and their families will receive housing through the availability of project-based voucher units. 50 of the units will be newly constructed and ready to be occupied by 2019. 25 existing units will be available sooner upon receiving HUD approval and attrition at the existing site (Hotel Berry).

All participating veteran families for all three projects will be identified by the local branch of VA. This agency will also provide supportive services to the families in addition to other services provided by the developer/owner at the site.

COMMISSION ACTION

At its meeting of March 15, 2017, the Sacramento Housing and Redevelopment Commission reviewed the information contained in this report.

FINANCIAL ANALYSIS

No action is required

POLICY CONSIDERATIONS

The Housing Authority continues to work towards reducing homelessness in Sacramento utilizing all available HUD resources. With the Shelter Plus Care and HUD-VASH programs, the Housing Authority is currently serving over 1,000 veterans and their families on an annual basis. Project basing HUD-VASH vouchers conforms to HUD’s priority to eliminate veteran homelessness nationwide, develop new affordable housing units, and is in line with local policies as outlined in the Housing Choice Voucher (HCV) Program Administrative Plan.

ENVIRONMENTAL REVIEW

No action is required.

M/WBE/SECTION 3 AND CONSIDERATIONS

No action is required.

Respectfully submitted,

APPROVED



LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

NAVDEEP S. GILL
County Executive



March 10, 2017

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento

SUMMARY

The attached informational report is presented for your review prior to review by the City of Sacramento.

RECOMMENDATION

Informational report only -- no specific recommendation.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment



**REPORT TO HOUSING AUTHORITY
AND COUNCIL
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org**

**Consent
March 21, 2017**

**Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Housing Authority**

Title: Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento

Location/Council District: Citywide

Recommendation: No specific action requested - receive and file this report

**Contact: La Shelle Dozier, Executive Director, 440-1319
Sarah Thomas, HCV Assistant Director, 449-6346**

Presenters: Not applicable

Department: Sacramento Housing and Redevelopment Agency (Agency)

Description/Analysis

Issue Detail: In 2010, the U.S. Department of Housing and Urban Development (HUD) identified reducing homelessness among veterans as one of its primary goals. At that time, it was estimated that there were 131,000 homeless veterans nationwide. Ongoing initiatives by HUD helped housing authorities provide housing resources to the veterans in tandem with supportive services provided by the U.S. Department of Veteran Affairs (VA) through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program. Since 2010 the rate of veteran homelessness has decreased by 50 percent nationwide and the number of homeless veterans continues to decrease.

The primary purpose of the HUD-VASH program is to provide rental subsidies to help low-income, homeless veterans find decent, safe, and affordable housing. In Sacramento, the Housing Authority of the County of Sacramento (Housing Authority) has jurisdiction over the Housing Choice Voucher (HCV) and Veteran Affairs Supportive Housing (VASH) programs. HUD realized that, with the tightening rental market, homeless veterans were having a difficult time finding units in the private rental market

and the VASH vouchers were seen as a means to alleviate that problem. Since 2009, the Housing Authority has incrementally received a total of 437 HUD-VASH vouchers. In 2014, despite the challenges of the rental market, the Housing Authority received the HUD-VASH Program of the Year award for leasing up over 92 percent of allocated HUD-VASH vouchers and housing homeless veterans expeditiously. With the addition of the 75 new vouchers, there will be 512 HUD-VASH vouchers housing homeless veterans in Sacramento. The vouchers received by Sacramento have been a mix of tenant-based (vouchers which remain with the tenant) and project-based vouchers (vouchers which are tied to a specific unit).

In July 2016, HUD set aside approximately \$15 million in HUD-VASH funding to project base approximately 2,000 units for homeless veterans and their families nationwide. The Housing Authority applied for the funds and was contingently awarded 75 Project-Based Vouchers in November 2016 through this competitive funding. The goal for these vouchers was to provide homeless veterans and their families with access to affordable permanent supportive housing which included supportive services.

The award of 75 HUD-VASH vouchers was the maximum a jurisdiction could receive as part of the 'post award' selection process. The award stated that the Housing Authority, as part of a 'post award' process, must start the local competitive process to solicit interest from developers to build/rehabilitate/ or provide available housing for homeless veterans, and final recommendations must be made to HUD within six months of the award date (by May 13, 2017).

Upon receiving the allocation of vouchers, the Housing Authority released a Request for Proposals (RFP) in December 2016 to solicit proposals from developers to build new or rehabilitate units and/or to provide existing housing units to house homeless veterans.

As part of the RFP process, the following goals for the HUD-VASH PBV program were established as priorities:

- The creation of additional housing through the use of existing units that do not require rehabilitation, rehabilitation of existing units, and construction of new housing units.
- The creation of additional "permanently" affordable housing units with long-term affordability restrictions included.
- The creation of additional units which include supportive services for homeless veterans.
- The creation of housing in close proximity or with easy access to medical and support services through the housing-first model.

Respondents to the RFP were required to provide units affordable to families earning 50 percent of the area median income (AMI) or below, and either requiring no rehabilitation, rehabilitation of existing market rate units for affordable housing, or new construction. Projects were also required to commit to administering a housing-first approach.

The Housing Authority received three proposals in response to the RFP in February 2017 and is recommending to HUD that all three projects be awarded 25 vouchers each contingent upon environmental clearance and meeting all HUD guidelines. The projects are as follows:

Jamboree – Studios at Hotel Berry:25 HUD-VASH Vouchers

Located in the City of Sacramento, this recently rehabilitated single room occupancy (SRO) development will utilize 25 vouchers to house homeless veterans from its 130 units. An onsite Residential Services Coordinator employed by Transforming Lives, Cultivating Success (TLCS) will provide direct supportive services to the veterans in addition to the services provided by the VA. Per HUD regulations, at least one unit must be available for occupancy within 60 days after project award (and approval from HUD), with all 25 units must be occupied within a twelve-month period from project award. No current residents will be displaced. Veterans will be housed as units become vacant.

Mercy Housing California – Mather Veteran’s Village Phase III: 25 HUD-VASH Vouchers

Located in the City of Rancho Cordova, in Sacramento County, the project will add a total of 50 new housing units to the Mather Veteran’s Village Project with 25 of these units to be set aside for homeless, low-income veterans and their families. Families will receive case management services from the VA as well as the Veteran’s Resource Center of America (VRCA). The developer (Mercy Housing) is in the process of securing low income housing tax credits and other funding for construction. Phase I of the project was recently completed and included 25 VASH project based vouchers as part of their financing.

McCormack Baron and Salazar (MBS)– Twin Rivers Phase I: 25 HUD-VASH Vouchers

Located in the City of Sacramento and owned by the Housing Authority of the County, the Twin Rivers public housing development currently houses 218 families. The proposed project is part of the Choice Neighborhood Initiative to create a mixture of new public housing, work force and market-rate units. The proposed project includes a total of 106 affordable units with 25 units to be set aside for homeless veterans and their families. The remainder will be tax credit and market-rate units. The developer (McCormack Baron and Salazar) is working to secure low income housing tax credits and mortgage revenue bonds to finance the construction. Support services for the families will be provided by the VA as well as by Urban Strategies, a non-profit affiliate of MBS.

With the addition of these vouchers in the community, 75 homeless veterans and their families will receive housing through the availability of project-based voucher units. 50 of the units will be newly constructed and ready to be occupied by 2019. 25 existing units will be available sooner upon receiving HUD approval and attrition at the existing site (Hotel Berry).

All participating veteran families for all three projects will be identified by the local branch of VA. This agency will also provide supportive services to the families in addition to any other services provided by the developer/owner at the site.

Policy Considerations: The Housing Authority continues to work toward reducing homelessness in Sacramento utilizing all available HUD resources. With the Shelter Plus Care and HUD-VASH programs, the Housing Authority currently serves over 1,000 homeless families on an annual basis. Project basing HUD-VASH vouchers conforms to HUD's priority to eradicate veteran homelessness nationwide, develop new affordable housing units, and is in line with local policies as outlined in the County Housing Authority's Housing Choice Voucher (HCV) Program Administrative Plan.

Economic Impacts: Not applicable

Environmental Considerations: No action is required.

Sustainability Considerations: Not applicable.

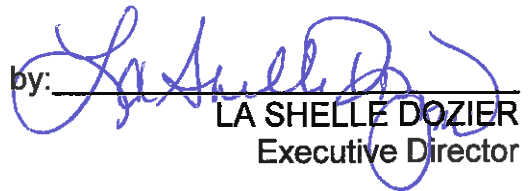
Commission Action: At its meeting of March 15, 2017, the Sacramento Housing and Redevelopment Commission reviewed the information contained in this report.

Rationale for Recommendation: No specific recommendation – receive and file report.

Financial Considerations: No action is required.

LBE - M/WBE and Section 3 requirements: No action is required.

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director



March 10, 2017

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Authorization and Acceptance of the Performance Partnership Pilots for Disconnected Youth (P3) Grant and Reservation of 100 Housing Choice Vouchers for Program Participants


SUMMARY

The attached informational report is presented for your review prior to review by the City of Sacramento.

RECOMMENDATION

Informational report only – no specific recommendation.

Respectfully submitted,


LASHELLE DOZIER
Executive Director

Attachment



Staff Report
March 21, 2017

Honorable Mayor and Members of the City Council

Title: Authorization and Acceptance of the Performance Partnership Pilots for Disconnected Youth (P3) Grant And Reservation of 100 Housing Choice Vouchers for Program Participants

Location/Council District: City Wide

Recommendation: Informational Report Only

Contact: Tyrone Roderick Williams, Director of Development, 916-440-1316
Sacramento Housing and Redevelopment Agency
Geoffrey Ross, Assistant Director, Development and Federal Programs, 916-449-6228
Sacramento Housing and Redevelopment Agency

Presenters: Tyrone Roderick Williams, Director of Development, 916-440-1316
Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The Performance Partnership Pilots Initiative Program (Program) was first authorized by Congress in 2014. The Program enables pilot sites to test innovative, outcome-focused strategies to achieve significant improvements in educational, employment, and other key outcomes for disconnected youth using the flexibility to blend existing federal funds and to seek waivers of associated program requirements.

On August 15, 2016, the U. S. Departments of Education (Department of Education), Labor (DOL), and Health and Human Services (HHS) jointly issued a Notice of Funding Availability (NOFA) announcing the availability of funding of approximately \$2 million for the P3 Pilot program for local communities to develop pilot programs to address issues impacting disconnected youth.

On January 19, 2017, the Department of Education informed the SHRA (Agency) that it was a finalist in the application process and that, upon executing the Partnership Grant Agreement, the Housing Authority of the County of Sacramento would be awarded \$248,799 over a 3-year period.

The Sacramento P3 Program will be a 3-year comprehensive service-delivery system that coordinates and integrates a multidisciplinary approach to providing services to 100 disconnected youth aged 16-24, especially foster youth, youth on probation, homeless youth and youth at risk of becoming homeless. The Program adopts a housing-first model to promote stability for participants. The federal regulation waivers granted under this program are designed to increase the efficiency of service delivery in two ways: 1) by removing barriers to housing and expanding housing eligibility; and, 2), by leveraging existing resources and increasing services to the target population. The Program is based on collaboration with local and state partners and coordination of currently funded services. Program funding does not provide for social services. These services, including case management, will be provided by community partners.

Through collaboration with key partners, the 100 program participants will achieve measurable outcomes in education, employment and housing that will help support them in their path to self-sufficiency. Specifically, youth will earn a high school diploma or GED, obtain a job or be placed in a job training program, and will be housed as a result of their participation in the program with the assistance of the Housing Choice Voucher (HCV) Program. A list of Sacramento P3 partners are listed in Attachment 1.

Policy Considerations: The P3 Grant is consistent with the Agency's and the Promise Zone's goals to provide housing, education, training and employment opportunities for disconnected youth.

Environmental Considerations: The authorization and acceptance of the grant does not constitute a project under California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) §15378(b). As an administrative activity, this activity has been determined to be exempt under the National Environmental Policy Act (NEPA) per 24 Code of Federal Regulations (CFR) §58.34(a)(3) and (4) and is categorically excluded per 24 CFR §58.35(b).

Sustainability Considerations: Not applicable.

Commission Action: It is anticipated that, its meeting of March 15, 2017, the Sacramento Housing and Redevelopment Commission (Commission) will approve the staff recommendation for this item. Staff will notify the Council in the event this does not occur.

Rationale for Recommendation: Through collaboration with key partners, Sacramento P3 participants will achieve measurable outcomes in education, employment and housing that will help support them on their path to self-sufficiency. Specifically, participants will earn a high school diploma or General Education Diplomas, attain a job or be placed in a job training program, and will be housed with the assistance of the HCV Program.

Financial Considerations: Not applicable.

LBE/M/WBE/Section 3 and First Source Considerations: Not applicable.

Respectfully Submitted by:



LA SHELLE DOZIER
Executive Director

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1 List of Partners	pg. 4

**Performance Partnership Pilots for Disconnected Youth (P3)
Sacramento Partners**

- Sacramento Housing and Redevelopment Agency
- The Housing Authority of Sacramento County
- Sacramento County Department of Human Assistance
- Sacramento County of Health and Human Services
- Sacramento County Probation Department
- Sacramento County Director of Homeless Services
- Sacramento City Unified School District
- Sacramento Employment and Training Agency/Workforce Investment Board
- Sacramento Regional Conservation Corps
- American River College
- City of Sacramento
- Department of Education – California
- Youth Development Network



March 10, 2017

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Authorization and Acceptance of the Performance Partnership Pilots for Disconnected Youth (P3) Grant and Reservation of 100 Housing Choice Vouchers for Program Participants

SUMMARY

The attached informational report is presented for your review prior to review by the County of Sacramento.

RECOMMENDATION

Informational report only – no specific recommendation.

Respectfully submitted,


LA SHELLÉ DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
March 21, 2017

To: Housing Authority of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Authorization And Acceptance Of The Performance Partnership Pilots For Disconnected Youth (P3) Grant And Reservation Of 100 Housing Choice Vouchers For Program Participants

Supervisory
District: All

Contact: La Shelle Dozier, Executive Director, Sacramento Housing and Redevelopment Agency (SHRA): 440-1319
Tyrone Roderick Williams: Director of Development, 440-1316

Overview

The Sacramento Performance, Partnership Pilots Program (P3 or Program) is a 3-year comprehensive service-delivery system that coordinates and integrates a multidisciplinary approach to services for 100 disconnected youth aged 16-24, especially foster youth, youth on probation, homeless youth and youth at risk of becoming homeless. The program adopts a housing-first model to promote stability for participants by setting aside 100 Housing Choice Vouchers to assist with securing housing for these youth

The federal regulation waivers granted under the Program are designed to increase service delivery efficiency in two ways: 1) by removing barriers to housing and expanding housing eligibility; and, 2) by leveraging existing resources and increasing services to the target population. The Program is based collaboration with local and state partners and coordinating services that are currently funded. The Program does not provide funding for social services. Services, such as case management, will be funded by community partners.

Through collaboration with key partners, program participants will achieve measurable outcomes in education, employment, and housing that will help support their path to self-sufficiency. Specifically, participants will attain high school diplomas or General Education Diplomas, obtain jobs or be placed in job training programs, and will be housed as a result of their participation in the program. A list of Sacramento Program partners is included in Attachment 1.

Recommendations

Adopt a Housing Authority Resolution authorizing the Executive Director or her designee to: a) accept and execute the P3 grant partnership agreement and all other documents and forms required by the U.S. Department of Education (Department of Education) to support activities for youth aging out of foster care, youth on probation, homeless youth or youth at risk of becoming homeless; b) amend the Housing Authority budget to incorporate, allocate, and expend, pursuant to Department of Education and Agency procurement regulations and policies, funding in the amount of \$248,799 in P3 grant funding; c) reserve 100 Housing Choice

Vouchers for program participants to secure safe, decent and affordable housing; and, c) enter into agreements with key partners for in-kind services to implement the foregoing in a form approved by agency counsel, and d) make related findings.

Measures/Evaluation

Through collaboration with key partners, the 100 program participants will achieve measurable outcomes in education, employment, and housing that will help support them on the path to self-sufficiency. Specifically, participants will attain high school diplomas or GEDs, obtain jobs or be placed in job training programs, and will be housed as a result of their participation. Housing for program participants will be achieved by the Housing Authority reserving.

Fiscal Impact

The Department of Education is awarding the Housing Authority of the County of Sacramento \$248,799 to fund coordination, tracking and evaluation of the outcomes of program participants.

BACKGROUND

P3 was first authorized by Congress in 2014. The Program enables pilot sites to test innovative, outcome-focused strategies to achieve significant improvements in education, employment, and other key outcomes for disconnected youth using new flexibility to blend existing federal funds and to seek waivers of associated program requirements.

DISCUSSION

On August 15, 2016, the Department of Education, the U.S. Department of Labor (DOL), and the U.S. Department of Health and Human Services (HHS) jointly issued a Notice of Funding Availability (NOFA) announcing the availability of funding of approximately \$2 million for the P3 Pilot Program for local communities to develop pilot programs to address issues impacting disconnected youth in the City of Sacramento and County of Sacramento.

On January 19, 2017, the Department of Education informed the Housing Authority that it was a finalist in the application process and that, upon executing the Partnership Grant Agreement; it will be awarded \$248,799 over a 3-year period.

COMMISSION ACTION

It is anticipated that, at its meeting of March 15, 2017, the Sacramento Housing and Redevelopment Commission (Commission) will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

FINANCIAL ANALYSIS

This report recommends amending the 2017 budget for the Housing Authority of the County of Sacramento to accept and expend the P3 grant funds in the amount of \$248,799 over a three-year period.

POLICY CONSIDERATIONS

The P3 Grant is consistent with the goals of SHRA and the Promise Zone to provide housing, education, training, and employment opportunities for disconnected youth.

ENVIRONMENTAL REVIEW


The authorization and acceptance of the grant does not constitute a project under California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) §15378(b). As an administrative activity, this activity has been determined to be exempt under the National Environmental Policy Act (NEPA) per 24 Code of Federal Regulations (CFR) §58.34(a)(3) and (4) and is categorically excluded per 24 CFR §58.35(b).

M/WBE/SECTION 3 AND CONSIDERATIONS

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

Respectfully submitted,

APPROVED



LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

NAVDEEP S. GILL
County Executive

Attachments:
RES – Housing Authority Resolution
ATT 1 – P3 Partners

RESOLUTION NO. _____

**ADOPTED BY THE HOUSING AUTHORITY OF THE
COUNTY OF SACRAMENTO**

**AUTHORIZATION TO ACCEPT AND EXECUTE THE PERFORMANCE
PARTNERSHIP PILOTS FOR DISCONNECTED YOUTH (P3) GRANT AWARD WITH
THE UNITED STATES DEPARTMENT OF EDUCATION AND THE HOUSING
AUTHORITY OF SACRAMENTO COUNTY, AND AUTHORIZATION TO RESERVE
100 HOUSING CHOICE VOUCHERS FOR PROGRAM PARTICIPANTS**

WHEREAS, Performance Partnership Pilots (P3 or Program), was first authorized by Congress in 2014. The program enables pilot sites to test innovative, outcome-focused strategies to achieve significant improvements in educational, employment, and other key outcomes for disconnected youth using new flexibility to blend existing federal funds and to seek waivers of associated program requirements; and

WHEREAS, On August 19, 2016, the U.S. Departments of Education (Department of Education), U.S. Departments of Education Labor, and U.S. Departments of Health and Human Services jointly issued a Notice of Funding Availability announcing the availability of approximately \$2 million in P3 funds for local communities to develop pilot programs to address issues impacting disconnected youth; and

WHEREAS, On January 19, 2017, the Department of Education informed the Sacramento Housing and Redevelopment Agency (SHRA) that it had been selected as a finalist in the application process and that, upon executing the Partnership Grant Agreement, the Housing Authority of the County of Sacramento (Housing Authority) would be awarded \$248,799 over a 3-year period to fund the administration of the Program; and

WHEREAS, The Program is a three-year comprehensive service-delivery system that coordinates and integrates a multidisciplinary approach to providing services to 100 disconnected youth aged 16-24, including foster youth, youth on probation, homeless youth and youth at risk of becoming homeless. The Program adopts a housing-first model to promote stability for participants. The federal regulation waivers granted under the Program are designed to increase the efficiency of service delivery in two ways: 1) by removing barriers to housing and expanding housing eligibility; and, by leveraging existing resources and increasing services to the target population. This program is based on collaboration with local and state partners to coordinate services that are currently funded. The Program itself does not provide funding for services. Community partners will provide funding for services for participants, including case management; and

WHEREAS, through collaboration with key partners, P3 participants will achieve measurable outcomes in education, employment, and housing that will help support them on their path to self-sufficiency. Specifically, youth will earn a high school diploma or General Education Diploma, attain a job or job training, and will be housed as a result of their participation with the assistance of the Housing Choice Voucher (HCV) Program; and

WHEREAS, the authorization and acceptance of the grant does not constitute a project under California Environmental Quality Act pursuant to 14 California Code of Regulations (CCR) §15378(b). As an administrative activity, this activity has been determined to be exempt under the National Environmental Policy Act per 24 Code of Federal Regulations (CFR) §58.34(a)(3) and (4) and is categorically excluded per 24 CFR §58.35(b)(3).

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

Section 1. All evidence presented having been duly considered, the background facts, as stated above, including the environmental facts, are found to be true and correct.

Section 2. The Executive Director, or her designee, is authorized to accept and execute the P3 Grant Partnership Agreement and all other documents and forms required by the U.S. Department of Education to support activities providing housing through the HCV Program, education, job training and employment of 100 disconnected youth.

Section 3. The Executive Director, or her designee, is authorized to amend the budget of the Housing Authority of the County of Sacramento to incorporate, allocate, and expend, pursuant to the U.S. Department of Education and Agency procurement regulations and policies, P3 funding in the amount of \$248,799 for disconnected youth the in the County of Sacramento.

Section 4. The Executive Director, or her designee, is authorized to enter into agreements with the key partners for services to implement the foregoing in a form approved by agency counsel.

On a motion by Member _____, seconded by Member _____, the foregoing Resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California, this 21st day of March, 2017, by the following vote, to wit:

AYES: Members,

Authorization And Acceptance of the Performance Partnership Pilots for Disconnected Youth
(P3) Grant

Page 3

NOES: Members,

ABSENT: Members,

ABSTAIN: Members,

RECUSAL: Members,
(PER POLITICAL REFORM ACT (§ 18702.5.))

Chair of the Housing Authority
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk

**Performance Partnership Pilots for Disconnected Youth (P3)
Sacramento Partners**

- Sacramento Housing and Redevelopment Agency
- The Housing Authority of Sacramento County
- Sacramento County Department of Human Assistance
- Sacramento County of Health and Human Services
- Sacramento County Probation Department
- Sacramento County Director of Homeless Services
- Sacramento City Unified School District
- Sacramento Employment and Training Agency/Workforce Investment Board
- Sacramento Regional Conservation Corps
- American River College
- City of Sacramento
- Department of Education – California
- Youth Development Network

March 15, 2017



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT Award of 75 Veteran Affairs Supportive Housing (VASH) Vouchers to House Homeless Veterans in Sacramento

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes the Executive Director or her designee to submit the following three proposals to the United States Department of Housing and Urban Development (HUD) and recommend the award of 25 HUD Veteran Affairs Supportive Housing (HUD-VASH) Project Based Vouchers (PBV's) to each to the following projects for a total of 75 HUD-VASH PBV's.

- Mercy Housing California – Mather Veteran's Village Phase III
- Jamboree – Studios at Hotel Berry
- McCormack Baron and Salazar (MBS) – Twin Rivers Phase I

CONTACT PERSONS

La Shelle Dozier, Executive Director, SHRA, 440-1319
Sarah Thomas, Assistant Director, SHRA, 449-6346

SUMMARY

On November 14, 2016, the Sacramento Housing and Redevelopment Agency (SHRA), through its constituent entity the Housing Authority of the County of Sacramento, (Housing Authority) was contingently awarded 75 project based vouchers through a nationwide competitive process led by the Department of Housing and Urban Development's Veteran's Affairs Supportive Housing Program (HUD-VASH) pursuant to Public and Indian Housing (PIH) Notice 2016-11. The goal of the HUD-VASH Program is to create more permanent supportive housing for homeless, low-income veterans.

The award of 75 HUD-VASH vouchers was the maximum that a jurisdiction could receive as part of the 'post award' selection process. The award stated that the Housing Authority as part of a 'post award' process must start the local competitive procedure to solicit interest from developers to build, rehabilitate, or make available

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
March 15, 2017
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housing for homeless veterans, and final recommendations must be made to HUD within six months of the award date (by May 13, 2017).

Shortly after receiving the allocation of vouchers on November 14, 2016, the Housing Authority released a Request for Proposals (RFP) in December 2016 soliciting proposals from developers to build new/rehabilitate and/or provide existing housing units to house homeless veterans. The Housing Authority received three proposals in response to the RFP. A review panel, including HUD-VASH staff, recommended that all three proposals be awarded 25 vouchers each, for a total of 75 HUD-VASH vouchers.

The following projects are recommended to receive the vouchers:

- Mercy Housing California – Mather Veteran's Village Phase III
Construction of new units
- Jamboree – Studios at Hotel Berry – existing units
Availability of existing units
- McCormack Baron and Salazar (MBS) – Twin Rivers Phase I
Construction of new units

BACKGROUND

In 2010, the U.S. Department of Housing and Urban Development (HUD) identified reducing homelessness among veterans as one of its primary goals. At that time, it was estimated that there were 131,000 homeless veterans nationwide. Ongoing initiatives by HUD helped housing authorities provide housing resources to the veterans in tandem with supportive services provided by the U.S. Department of Veteran Affairs (VA) through the HUD Veterans Affairs Supportive Housing (HUD-VASH) Program. Since 2010, the rate of homelessness among veterans has decreased by 50 percent nationwide and the number of homeless veterans continues to decrease.

The primary purpose of the HUD-VASH program is to provide rental subsidies to help homeless veterans find decent, safe, and affordable housing. HUD realized that, with the tightening rental market, homeless veterans were having a difficult time finding units available for rent in the private rental market and the VASH vouchers were seen as a means to alleviate that problem. Since 2009, the Housing Authority has incrementally received a total of 437 HUD-VASH vouchers. In 2014, despite the challenges of the rental market, the Housing Authority received the HUD-VASH Program of the Year award for leasing up over 92 percent of allocated HUD-VASH vouchers and housing homeless veterans expeditiously. With the addition of the 75 new vouchers, there will be 512 HUD-VASH vouchers housing homeless veterans in Sacramento. The vouchers

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
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Page 3

received by Sacramento have been a mix of tenant-based (vouchers which remain with the tenant) and project-based vouchers (vouchers which are tied to a specific unit).

In July 2016, HUD set aside approximately \$15 million in HUD-VASH funding to project base approximately 2,000 units for homeless veterans and their families nationwide. The Housing Authority applied for the funds and was contingently awarded 75 PBV's in November 2016 through this competitive funding. The goal for these vouchers was to provide homeless veterans and their families access to affordable permanent housing which included supportive services.

In accordance with HUD's Public and Indian Housing Notice 2016-11, the Housing Authority immediately released a Request for Proposals (RFP) in December 2016 to solicit proposals from owners or developers with the ability to provide rental units to low income, homeless veterans and their families. Per the HUD-VASH award a total of 75 vouchers could be issued with subsidies tied to specific rental units for an initial period of 15 years, which could be extended for an additional period of up to 15 years.

As part of the RFP process, the following goals for the HUD-VASH PBV program were priorities:

- The creation of additional housing through the use of existing units that do not require rehabilitation, rehabilitation of existing units, and the construction of new housing units.
- The creation of additional "permanently" affordable housing units with long-term affordability restrictions included.
- The creation of additional units which included supportive services for homeless veterans.
- The creation of housing in close proximity or with easy access to medical and support services through the housing first model.

Respondents to the RFP were required to provide units affordable to families earning 50 percent of the area median income (AMI) or below, and either requiring no rehabilitation, rehabilitation of existing market rate units for affordable housing, or new construction. Projects were also required to commit to administering a housing-first approach.

The Housing Authority received three proposals in response to the RFP and staff recommends that all three proposals be awarded 25 vouchers each upon environmental clearance and meeting all HUD requirements. This recommendation will be forwarded to HUD for final approval.

The projects are as follows:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
March 15, 2017
Page 4

Mercy Housing California – Mather Veteran’s Village Phase III: 25 HUD-VASH Vouchers

Located in the City of Rancho Cordova, in Sacramento County, the project will add a total of 50 new housing units to the Mather Veteran’s Village Project with 25 of these units to be set aside for homeless, low-income veterans and their families. Families will receive case management services from the VA as well as the Veteran’s Resource Center of America (VRCA). The developer (Mercy Housing) is in the process of securing low income housing tax credits and other funding for construction. Phase I of the project was recently completed and included 25 VASH project based vouchers as part of their financing.

Jamboree – Studios at Hotel Berry: 25 HUD-VASH Vouchers

Located in the City of Sacramento, this recently rehabilitated single room occupancy (SRO) development will utilize 25 vouchers to house homeless veterans from its 130 units. An onsite Residential Services Coordinator employed by Transforming Lives, Cultivating Success (TLCS) will provide direct supportive services to the veterans in addition to the services provided by the VA. Per HUD regulations, at least one unit must be available for occupancy within 60 days after project award (and approval from HUD), with all 25 units must be occupied within a twelve-month period from project award. No current residents will be displaced. Veterans will be housed as units become vacant.

McCormack Baron and Salazar (MBS) – Twin Rivers Phase I: 25 HUD-VASH Vouchers

Located in the City of Sacramento and owned by the Housing Authority of the County, the Twin Rivers public housing development currently houses 218 families. The proposed project is part of the Choice Neighborhood Initiative to create a mixture of new public housing, work force and market-rate units. The proposed project includes a total of 106 affordable units with 25 units to be set aside for homeless veterans and their families. The remainder will be tax credit and market-rate units. The developer (McCormack Baron and Salazar) is working to secure low income housing tax credits and mortgage revenue bonds to finance the construction. Support services for the families will be provided by the VA as well as by Urban Strategies, a non-profit affiliate of MBS.

With the addition of these vouchers in the community, 75 homeless veterans and their families will receive housing through the availability of project-based voucher units. 50 of the units will be newly constructed and ready to be occupied by 2019. 25 existing units will be available sooner upon receiving HUD approval and attrition at the existing site (Hotel Berry).

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
March 15, 2017
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All participating veteran families for all three projects will be identified by the local branch of VA. This agency will also provide supportive services to the families in addition to other services provided by the developer/owner at the site.

FINANCIAL CONSIDERATIONS

With the award of 75 HUD-VASH PBV's, HUD will provide \$45,150 per month towards their rental subsidy. This totals \$541,800 on an annual basis. Staff recommends amending the Housing Authority budget to include this additional funding increment from HUD.

POLICY CONSIDERATIONS

The Housing Authority continues to work toward reducing homelessness in Sacramento with all available HUD resources. With the Shelter Plus Care (that serves homeless, disabled individuals and families) and the HUD-VASH program, the Housing Authority is serving over 1,000 homeless veterans and their families on an annual basis. Project basing HUD-VASH vouchers is in line with HUD's priority to eliminate veteran homelessness nationwide, develop new affordable housing units, and is in line with local policies as outlined in the Housing Choice Voucher (HCV) Administrative Plan.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA):

The Mercy Housing California – Mather Veteran's Village Phase III project has been determined to be Categorically Exempt pursuant to CEQA Guidelines at 14 California Code of Regulations (CCR) §15332.

Providing vouchers for the Jamboree – Studios at Hotel Berry project has been determined to be Exempt pursuant to CEQA Guidelines at 14 CCR §15061.

The MBS – Twin Rivers Phase I project has not been reviewed pursuant to CEQA at this time. SHRA may not enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract nor enter into a HAP contract until it has complied with the environmental review requirements, and SHRA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed. CEQA review will be completed for the Twin Rivers Phase I project prior to undertaking any of the above-mentioned actions or activities.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
March 15, 2017
Page 6

National Environmental Policy Act (NEPA):

An Environmental Assessment (EA) was prepared pursuant to NEPA and 24 Code of Federal Regulations (CFR) §58 for The Mercy Housing California – Mather Veteran's Village Phase III project. It was determined that the project would have no significant impact on the environment, and a Finding of No Significant Impact (FONSI) was published and a Request for Release of Funds (RROF) has been submitted to HUD.

Providing vouchers for the Jamboree – Studios at Hotel Berry project has been determined to be Categorically Excluded Not Subject To §58.5 per 24 CFR §58.35(b)(2).

The MBS – Twin Rivers Phase I project has not been reviewed pursuant to NEPA at this time. SHRA may not enter into an Agreement to Enter into a AHAP contract nor enter into a HAP contract until it has complied with the environmental review requirements, and SHRA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed. NEPA review will be completed for the Twin Rivers Phase I project prior to undertaking any of the above-mentioned actions or activities.

M/WBE AND SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment
SHRA Commission Resolution

RESOLUTION NO. SHRC-

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE FORMER REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

March 15, 2017

AWARD OF 75 VETERAN AFFAIRS SUPPORTIVE HOUSING (VASH) VOUCHERS TO HOUSE HOMELESS VETERANS IN THE CITY AND COUNTY OF SACRAMENTO; ENVIRONMENTAL FINDINGS

WHEREAS, in July 2016, the United States Department of Housing and Urban Development (HUD) set aside approximately \$15 million in HUD Veterans Affairs Supportive Housing (HUD-VASH) funding to support assistance for approximately 2,000 Project-Based Vouchers (PBVs) for homeless veterans and their families nationwide.

WHEREAS, the Housing Authority of the County of Sacramento applied for these funds and was contingently awarded 75 Project-Based Vouchers in November 2016 through this competitive funding.

WHEREAS, the HUD-VASH Project Based Voucher subsidies are tied to specific rental units for an initial period of 15 years and may be extended for an additional period of up to 15 years.

WHEREAS, the Sacramento Housing and Redevelopment Agency (Agency) issued a Request for Proposals (RFP) in December 2016 to solicit proposals from owners or developers with the ability to provide rental units to low-income, homeless veteran families. Three proposals were received and reviewed. All three were conditionally selected for award of the VASH PBVs.

WHEREAS, the Agency received three proposals in response to the RFP. A review panel, including HUD-VASH staff, recommended that all three proposals be awarded 25 vouchers each upon meeting all threshold and programmatic requirements.

WHEREAS, the Mercy Housing California – Mather Veteran’s Village Phase III project has been determined to be Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines at 14 California Code of Regulations (CCR) §15332. Providing vouchers for the Jamboree – Studios at Hotel Berry project has been determined to be Exempt pursuant to CEQA Guidelines at 14 CCR §15061. The MBS – Twin Rivers Phase I project is currently under CEQA review. The Agency may not enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract, nor enter into a Housing Assistance Payment (HAP) contract until it has complied with the environmental review requirements, and the Agency, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair,

dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed. CEQA review will be completed for the Twin Rivers Phase I project prior to undertaking any of the above-mentioned actions or activities.

WHEREAS, an Environmental Assessment (EA) was prepared pursuant to the National Environmental Policy Act (NEPA) and 24 Code of Federal Regulations (CFR) §58 for the Mercy Housing California – Mather Veteran’s Village Phase III project. It was determined that the project would have no significant impact on the environment, and a Finding of No Significant Impact (FONSI) was published and a Request for Release of Funds (RROF) has been submitted to HUD. Providing vouchers for the Jamboree – Studios at Hotel Berry project has been determined to be Categorically Excluded Not Subject To §58.5 per 24 CFR §58.35(b)(2). The MBS – Twin Rivers Phase I project is a proposed project currently under NEPA review. The Agency may not enter into an Agreement to Enter into a Housing Assistance Payment (AHAP) contract or enter into a Housing Assistance Payment (HAP) contract until it has complied with the environmental review requirements, and the Agency, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review has been completed. NEPA review will be completed for the Twin Rivers Phase I project prior to undertaking any of the above-mentioned actions or activities.

NOW, THEREFORE BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. After due consideration of the facts presented in the recitals above, the findings, including the environmental findings regarding this action, are found to be true and correct and are hereby approved and adopted.

Section 2. The Executive Director or her designee is authorized to submit the following three proposals to the Department of Housing and Urban Development (HUD) to award 25 HUD Veterans Affairs Supportive Housing (HUD-VASH) Project Based Vouchers to each of these projects:

- Mercy Housing California – Mather Veteran’s Village Phase III
- Jamboree – Studios at Hotel Berry
- McCormack Baron and Salazar (MBS)– Twin Rivers Phase I

Section 3. Subject to the prior approval of HUD, the Executive Director or her designee is authorized to execute all required HUD agreements with the Project owners as they may be approved by HUD for the VASH vouchers and amend the Agency budget as necessary to accept and disburse the vouchers.

CHAIR

ATTEST:

CLERK

**The materials for this item will be available
on March 13, 2017.**