



INVESTING IN COMMUNITIES

NOTICE OF REGULAR MEETING MEETING
Sacramento Housing and Redevelopment
Commission

Wednesday, August 3, 2016 – 6:00 pm
801 12th Street
2nd Floor Commission Room
Sacramento CA

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** - July 20, 2016 Meeting

DISCUSSION/BUSINESS ITEMS

2. Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code Amendment – City report
3. Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code Amendment – County report

PRESENTATIONS

4. Update to the Housing Trust Fund Ordinance
5. FUND Inc. and SHRC Engagement Committee Activities Update
6. Choice Neighborhoods Initiative Workshop

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 July 20, 2016

Meeting noticed on July 15, 2016

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, Macedo, Morgan, Raab, Staajabu

MEMBERS ABSENT: Johnson, Rios, Painter, Simas

STAFF PRESENT: La Shelle Dozier, David Levin, Christine Weichert, MaryLiz Paulson, Tyrone Williams, Kyle Flood, Terren Wing, Lira Goff, Geoffrey Ross, Celia Yniguez, Trevor Shanklin

APPROVAL OF AGENDA – Agenda approved as submitted.

CITIZENS COMMENTS – None.

1. APPROVAL OF MINUTES – May 18, 2016 meeting - The meeting minutes were approved unanimously as submitted.

CONSENT

2. Adoption of Revised Administrative Entity State Emergency Solutions Grant (ESG) Resolution

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

AYES: Alcalay, Creswell, Griffin, Macedo, Morgan, Raab, Staajabu

NOES: None

ABSENT: Johnson, Painter, Rios, Simas

ABSTAIN: None

RECUSE: None

BUSINESS/DISCUSSION ITEMS

3. Approval of Cosumnes House Loan Forgiveness and Release of Regulatory Agreement

Terren Wing presented the item.

Ron Javor and John Foley spoke in favor of the item.

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

AYES: Alcalay, Creswell, Griffin, Macedo, Morgan, Raab, Staajabu

NOES: None

ABSENT: Johnson, Painter, Rios, Simas

ABSTAIN: None

RECUSE: None

4. Authorization to Execute Promise Zone Designation Agreement – City report

5. Authorization to Execute Promise Zone Designation Agreement – County report

Tyrone Roderick Williams presented the items.

Commissioner Creswell requested that we add a more prominent discussion on housing affordability and quality in future documents on this subject.

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

AYES: Alcalay, Creswell, Griffin, Macedo, Morgan, Raab, Staajabu

NOES: None

ABSENT: Johnson, Painter, Rios, Simas

ABSTAIN: None

RECUSE: None

SPECIAL PRESENTATIONS

6. SHRA Property Disposition Plan Overview

Kyle Flood presented the item.

Commissioner Alcalay requested that the Commission be provided a complete list of properties discussed in this item with acreage, existing zoning, designation and more detailed maps.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None.

EXECUTIVE DIRECTOR REPORT

The Executive Director reviewed the following:

- 1) The next meeting will be August 3, 2016.
- 2) The Commission tour scheduled for August 17, 2016 at 5:30 pm.
- 3) An upcoming event at Los Olivos, August 2, 2016 at 10:30 am.
- 4) An upcoming event at Mather Veterans Village on August 31, 2016.
- 5) 2016 Educational Topics.
- 6) Kyle Flood's Agency departure.

COMMISSION CHAIR REPORT

None.

ADJOURNMENT

As there was no further business to be conducted, Chair Creswell adjourned the meeting at 6:40 p.m.

Clerk



July 29, 2016

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code
Amendment

SUMMARY

The attached report and resolution are submitted to you for review prior to review by the
City of Sacramento.

RECOMMENDATION

Approve staff recommendation as outlined in the report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment



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

**Consent
September 13, 2016**

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

Title: Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code Amendment

Location/Council District: Citywide

Recommendation: Adopt: 1) a **Housing Authority Resolution** approving the revised Agency Conflict of Interest code, designated positions and disclosure categories, b) repealing prior Housing Authority Resolutions adopted related to the SHRA conflict of Interest code (resolutions HA 83-005, HA 84-003, HA 86-032, HA 87-006, HA 88-014, HA 90-009, HA 91-006, HA 92-004, HA 94-002, HA 96-009, HA 2001-001, HA 2009 016, HA 2011-007, and HA 2014-0012), and 2) a **Council Resolution** approving the amended Agency Conflict of Interest code, designated positions and disclosure categories.

Contact: David Levin, Agency Counsel, 440-1330; Vickie Smith, Agency Clerk, 440-1363

Presenters: not applicable

Department: Sacramento Housing and Redevelopment Agency (SHRA)

Description/Analysis

Issue: Sacramento Housing and Redevelopment Agency (SHRA) is a public agency that provides exclusive staffing for the Housing Authority of the City of Sacramento and administers certain federal housing and community development funding on behalf of the City of Sacramento. Per the State of California's Political Reform Act, all public agencies are required to adopt a Conflict of Interest (COI) Code for their employees, consultants and Board members. In compliance with the law, SHRA adopted a Conflict of Interest Code on January 25, 1983, which adopted by reference the provisions of the California Administrative Code. SHRA has periodically updated that code and currently desires to make minor changes to the code to reflect recent statewide updates.

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code Amendment

Staff is also recommending amending SHRA's designated employee list to reflect added or modified employee positions, per Government Code 81000 which requires that local agencies update their code to reflect changed circumstances relating to its designated filers and disclosure categories. Exhibit A outlines the proposed amended COI code and reflects the Designated Positions List with the proposed modifications. In 2014, a "Code of Ethics" policy was adopted for all staff which is included as Attachment 1 for reference. This policy outlines required ethical standards of behavior for all staff, regardless of their status as a designated COI Form 700 filer. Staff recommended adoption of the Code of Ethics policy as a "best practices" measure and to ensure clear guidance for employees regarding their conduct.

Policy Considerations: A Conflict of Interest Code must be amended in the event of changed circumstances, such as the addition of new classifications or the modification of existing classifications (Government code Section 87306). SHRA's updated code include the addition of positions that have been deemed to have authorities that require filing; modification of positions that have been reclassified; deletion of classifications that no longer exist; and deletion of positions that have been deemed to no longer have authorities that require filing.

Economic Impacts: not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): Activities authorized in this report have been analyzed in accordance with CEQA and are determined to not be a "project" per 14 California Code of Regulations (CCR) § 15378(b)(2).

Sustainability Considerations: Not applicable.

Other: National Environmental Policy Act (NEPA): Activities authorized in this report have been analyzed in accordance with NEPA and are determined to be Exempt per 24 CFR § 58.34(a)(3).

Commission Action: At its meeting on August 3, 2016 the Sacramento Housing and Redevelopment Agency Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

September 13, 2016

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code Amendment

Rationale for Recommendation: Pursuant to Government Code 81000 local agencies are required to update their conflict of interest codes to reflect changed circumstances relating to their designated filers and disclosure categories. Updating the code also allows incorporation of provisions contained in California Code Regulations Section 18730 that have changed since the previous approval of SHRA's code.

Financial Considerations: none

LBE/M/WBE and Section 3 Considerations: The activities recommended in this staff report do not involve federal funding, therefore, there are no M/WBE or Section 3 requirements. The Local Business Enterprise program does not apply to this report

Respectfully Submitted by: 
LA SHELLE DOZIER
Executive Director

Table of Contents

- 01 Description/Analysis
- 02 Housing Authority Resolution
- 03 Council Resolution
- 04 Exhibit A - COI Code revisions and revised designated employee list
- 05 Attachment 1 – SHRA Ethics policy

RESOLUTION NO.

Adopted by the Housing Authority of the City of Sacramento

On date of

APPROVING AND ADOPTING THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY CONFLICT OF INTEREST CODE AND LIST OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

BACKGROUND

- A. The Political Reform Act, Government Code §81000 et seq., requires every state or local government agency to adopt and promulgate a conflict of interest code.
- B. The County of Sacramento is the code-reviewing body for the Sacramento Housing and Redevelopment Agency (Agency), but the Housing Authority as a member of the joint powers authority retains jurisdiction to approve revisions to Agency policy.
- C. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.
- D. The Political Reform Act requires every local government agency to review its conflict of interest code periodically to determine if it is accurate or needs to be amended.
- E. All persons holding designated positions file statements of economic interests with the Agency Clerk, who is the filing officer with respect to these statements. The statements will be made available for public inspection and reproduction. Statements for all designated positions are retained by the Agency Clerk.
- E. The recommended activity is not a project under the California Environmental Quality Act (CEQA) 15378(b) (5) and no environmental review is required.
- F. The recommended action is an exempt activity under the National Environmental Policy Act (NEPA), 24 CFR 58.34(a) (3).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY RESOLVES AS FOLLOWS:

- Section 1. The Background facts, above including the environmental facts, are found to be true and correct.
- Section 2. Prior Housing Authority Resolutions adopted related to the Agency conflict of interest code (resolutions HA 83-005, HA 84-003, HA 86-032, HA 87-006, HA 88-014, HA 90-009, HA 91-006, HA 92-004, HA 94-002, HA 96-009, HA 2001-001, HA 2009-016, HA 2011-007, and HA 2014-0012) are hereby repealed.
- Section 3. The updated Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency, Designated Positions and Disclosure Categories, as attached as Exhibit A, are hereby approved.
- Section 4. The terms of 2 Cal. Code of Regulations Section 18730, and amendments to that section which may be duly adopted by the Fair Political Practices Commission, included as Exhibit A, is hereby adopted by reference as the body of the Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency and of the Housing Authority of the City of Sacramento.
- Section 5. This adopted and amended conflict of interest code is effective immediately, and newly added designees are required to file within 30 days of the effective date of the Code.

Table of Contents:

Exhibit A: Agency Conflict of Interest Code. Designated Positions and Disclosure Categories

RESOLUTION NO.

Adopted by the City Council of the City of Sacramento

On date of

APPROVING SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY'S CONFLICT OF INTEREST CODE AND LIST OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

BACKGROUND

- A. The Political Reform Act, Government Code §81000 et seq., requires every state or local government agency to adopt and promulgate a conflict of interest code.
- B. The County of Sacramento is the code-reviewing body for the Sacramento Housing and Redevelopment Agency (Agency), but the City as a member of the joint powers authority retains jurisdiction to approve revisions to Agency policy.
- C. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.
- D. The Political Reform Act requires every local government agency to review its conflict of interest code periodically to determine if it is accurate or needs to be amended.
- E. All persons holding designated positions file statements of economic interests with the Agency Clerk, who is the filing officer with respect to these statements. The statements will be made available for public inspection and reproduction. Statements for all designated positions are retained by the Agency Clerk.

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

- Section 1. The revised Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency, Designated Positions and Disclosure Categories as attached as Exhibit A, are hereby approved.

Table of Contents:

Exhibit A – Agency Agency Conflict of Interest Code, Disclosure Categories and Designated Employee list

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY DISCLOSURE CATEGORIES - updated 9-13-2016

Category 1:

- a. Interest in real property located within the City and County of Sacramento (excluding your primary residence [owned or leased]);
- b. All income, loans and gifts, investments, positions and ownership interests in any business located in or doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency; and
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 2:

- a. Interest in real property located within the City and County of Sacramento, (excluding your primary residence [owned or leased]);
- b. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and . services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); and
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 3:

- a. Interest in any real property improved for residential purposes or zoned for residential use

located within the City or County of Sacramento (excluding your primary residence [owned or leased]);

- b. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); and
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 4:

- a. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); and
- b. All sources of income, loans and gifts from individuals residing in the City of County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code (Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.).

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code – updated 9-13-2016

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in Exhibit A referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest. Therefore the terms of 2 California Code of Regulations (CCR) Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Exhibits designating positions and establishing disclosure requirements shall constitute the conflict of interest code of the Sacramento Housing and Redevelopment Agency.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in ~~the~~ Exhibit B are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and

(C) The filing officer is the same for both agencies.

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in ~~the~~ Exhibit A specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Exhibit A. It

has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

Individuals holding designated positions at the Agency shall file their statements of economic interest with the Agency Clerk who make the statements available for public inspection and reproduction (Govt Code Sec. 81008).

_____Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The Executive Director or designee may determine in writing that a particular consultant or new position, although a "designated position" is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements of this section. Such written determination shall include a description of the consultant's or new positions duties and, based on up that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code Section 81008).

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated

positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1st.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office. Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

- (1) File a written resignation with the appointing power; and
- (2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

~~_____ (A) Contents of Initial Statements.~~

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. Section 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property is required to be reported, the statement shall contain the following:

~~(B) Contents of Assuming Office Statements.~~

~~Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.~~

~~(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. Section 18754.~~

~~(D) Contents of Leaving Office Statements.~~

~~Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.~~

~~(7) Section 7. Manner of Reporting.~~

~~Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:~~

~~(A) Investment and Real Property Disclosure.~~

~~When an investment or an interest in real property is required to be reported, the statement shall contain the following:~~

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general _____ description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported, the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars _____ (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a _____ general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case _____ of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, _____ greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or _____ greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any _____ intermediary through which the gift was made; a description of the gift; the amount or value of _____ the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the _____ loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including _____ income of a sole proprietorship, is required to be reported, the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of ~~\$420~~460.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than ~~\$420~~460 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and

control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

{8.3} Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (8), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the _____ loan.

c. The date upon which the debtor has made payments on the loan aggregating to less _____ than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for _____ elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which _____ the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which _____ the creditor, based on reasonable business considerations, has not undertaken collection _____ action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of _____ this paragraph has the burden of proving that the decision for not taking collection action was _____ based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately _____ discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her

immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating ~~\$420~~ 460 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

~~(9.31)~~ Section 9.31. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

~~(9.25)~~ Section 9.25. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state

administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to _____ members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to _____ members of the public regarding the rendering of goods or services totaling in value one _____ thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 and 2 Cal. Code Regs. Sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the Agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

1 Designated employees who are required to file statements of economic interests under any

other Agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

2. See Government Code section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3. For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4. Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5. A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6. Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14).
Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No.2).
4. Amendment of subsection (b) (7) (8) 1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No.5).
5. Amendment of subsection (b)(7) (A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(8) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No.6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title1, section 1 ~O, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No.1).
13. Editorial correction adding History11 and 12 and deleting duplicate section number

(Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(S)(A), new subsection (b)(S)(8), and amendment of subsections (b)(8.1)-(b)(8.1)(8), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(S)(A)-(8) and (b)(8.1)(A), repealer of subsection (b)(8.1)(8), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).

18. Amendment of subsections (b)(7)(8)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(S.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(S.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District,

~~non-published~~ unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No.2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(8)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4 filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, ~~nonpublished~~unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974

Administrative Procedure Act rulemaking requirements) (Register 2001, No.7).

24. Amendment of subsections (b)(B.1)-(b)(B.1)(A) filed 1-16-2003; operative 1-1-2003.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, ~~nonpublished~~unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No.3).

25. Editorial correction of History24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(B.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No.1).

28. Amendment of Subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(B.1), (b)(B.1)(A) and (b)(9)(E) filed 12-1B-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, ~~nonpublished~~unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of Subsections (b)(B.1)-(b)(B.1)(A) and (b)(9)(E) filed 10-31-2008; operative

11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v.*

Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third Appellate

District, ~~nonpublished~~ unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974

Administrative Procedure Act rulemaking requirements and not subject to procedural or

substantive review by OAL) (Register 2008, No. 44).

SHRA DESIGNATED EMPLOYEE LIST – REVISED 9-13-2016

Designated position	Change	Disclosure Category
AGENCY CLERK	No change	1
AGENCY COUNSEL	No change	1
ASSISTANT AGENCY CLERK	No longer required for this position	
ASSISTANT DIRECTOR OF HOUSING AND COMMUNITY DEVELOPMENT	Change title to Assistant Director	1
ASSISTANT DIRECTOR OF HOUSING CHOICE VOUCHER	Change title to Assistant Director	1
ASSISTANT DIRECTOR OF REAL ESTATE AND CONSTRUCTION SERVICES	Change title to Assistant Director	1
ASSISTANT SITE MANAGER	Remove – title no longer used	3
BUYER	Remove – title no longer used	4
COMMUNITY DEVELOPMENT ANALYST 1, 2, or 3	Newly added position	2
COMPLIANCE/PROCUREMENT ANALYST	No change	1
CONSTRUCTION TECHNICIAN	No change	3
DEPUTY EXECUTIVE DIRECTOR	No change	1
DESIGN AND CONSTRUCTION SERVICES MANAGER	Change title to Program Manager	1
DIRECTOR OF DEVELOPMENT	Change title to Director	1
DIRECTOR OF HOUSING AUTHORITY	Change title to Director	1
DIRECTOR	Add new title/classification	1
EXECUTIVE DIRECTOR	No change	1
ENVIRONMENTAL ANALYST	Change title to Management Analyst	1
FINANCE DIRECTOR	Change title to Director	1
FINANCE MANAGER	Change title to Program Manager	1
GENERAL COUNSEL	No change	1

SHRA DESIGNATED EMPLOYEE LIST – REVISED 9-13-2016

Designated position	Change	Disclosure Category
HOMEOWNERSHIP SERVICES SUPERVISOR	Change title to Supervisor	3
HOUSING ASSISTANT –HCV	No longer required for this position	3
HOUSING PROGRAM – SPECIALIST - HCV	No change	3
HOUSING PROGRAM SPECICIALIST - HSG	No change	3
HOUSING AUTHORITY MANAGER - HCV	Change title to Program Manager	1
HOUSING AUTHORITY MANAGER - CNV	Change title to Program Manager	1
HOUSING AUTHORITY ANALYST - HCV	No change	3
HOUSING AUTHORITY ANALYST - HSG	No change	3
HOUSING AUTHORITY SPECIALIST - HCV	Remove – title no longer used	3
HOUSING AUTHORITY SPECIALIST - HSG	Remove – title no longer used	3
HOUSING AUTHORITY SUPERVISOR - HCV	Change title to Supervisor	3
HOUSING AUTHORITY SUPERVISOR - HSG	Change title to Supervisor	3
HOUSING FINANCE ANALYST - RANGE 1	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING FINANCE ANALYST - RANGE 2	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING FINANCE ANALYST - RANGE 3	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING PROGRAM TECHNICIAN 1	No Change	3
HOUSING PROGRAM TECHNICIAN 2	No Change	3
HUMAN RESOURCES MANAGER	Change title to Program Manager	1
IMTS MANAGER	No Change	1
IT APP/DEV SPECIALIST	Newly added position	4
IT NETWORK/MIDRANGE	No Change	4

SHRA DESIGNATED EMPLOYEE LIST – REVISED 9-13-2016

Designated position	Change	Disclosure Category
SPECIALIST		
LOAN ADMINSTRATOR	Newly added position	2
LOAN SERVICING ANALYST	Newly added position	2
MANAGEMENT ANALYST	No Change	1
MAINTENANCE LEAD	Newly added position	3
MAINTENANCE SPECIALIST – STATIONERY ENGINEER	Newly added position	3
MAINTENANCE SPECIALIST – FIRE AND LIFE SAFETY	Newly added position	3
PRINCIPAL CONSTRUCTION ARCHITECT/CONSTRUCTION ENGINEER	Change - Combine with Construction Engineer	2
PRINCIPAL CONSTRUCTION TECHNICIAN	No Change	2
PRINCIPAL HOUSING AUTHORITY ANALYST - HCV	No Change	3
PRINCIPAL HOUSING AUTHORITY ANALYST - HSG	No change	3
PRINCIPAL LOAN PROCESSING ANALYST	Newly added position	2
PRINCIPAL PROCUREMENT SERVICES ANALYST	Remove – title no longer used	1
PRINCIPAL REGULATORY COMPLIANCE ANALYST	No change	2
PROCUREMENT SERVICES SUPERVISOR	Change title to Supervisor	2
PROGRAM MANAGER, COMMUNITY/SOCIAL SERVICES	Change title to Program Manager	1
PROGRAM MANAGER- PORTFOLIO MANAGEMENT	Change title to Program Manager	1
PROGRAM INTEGRITY ANALYST	Newly added position	2
PROJECT MANAGER	No Change	1
PUBLIC INFORMATION OFFICER	No Change	1
REAL ESTATE COORDINATOR	Newly added position	1
REAL ESTATE MANAGER	Change title to Program Manager	1

SHRA DESIGNATED EMPLOYEE LIST – REVISED 9-13-2016

Designated position	Change	Disclosure Category
REAL ESTATE MANAGER LEVEL 2	Change title to Program Manager	1
REAL ESTATE SPECIALIST	No longer required for this position	3
REDEVELOPMENT ANALYST RANGE 1	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT ANALYST RANGE 2	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT ANALYST RANGE 3	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT MANAGER	Change to Program Manager	1
REDEVELOPMENT PLANNER - RANGE 1	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT PLANNER - RANGE 2	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT PLANNER - RANGE 3	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT SPECIALIST 1, 2, OR 3	Newly added position	2
REGULATORY COMPLIANCE ANALYST	No change	2
RISK SERVICES MANAGER	Change to Management Analyst	1
SENIOR HR ANALYST	Newly added position	1
SITE MANAGER I/II	Add level I/II information	2
SHRA COMMISSION MEMBERS	No change	1
LOAN COMMITTEE MEMBERS	No change	1
CONSULTANTS/NEW POSITIONS	No change	1

Sacramento Housing and Redevelopment Agency

POLICY/PROCEDURE INSTRUCTION

TO: All SHRA Staff

FROM: La Shelle Dozier, Executive Director

POLICY SUBJECT: SHRA Code of Ethics Policy - Acting Ethically and Responsibly

EFFECTIVE: July 15, 2014

Scope - This policy applies to all employees of the Sacramento Housing and Redevelopment Agency (SHRA).

Purpose - The purpose of this Policy is to help you understand SHRA's expectations for ethical and responsible behavior and related legal requirements.

Policy: As a public agency, SHRA is committed to acting in the best interest of the communities and clients whom we serve. We have the same expectation of our employees.

SHRA's Conflict of Interest Code

Certain employees are subject to SHRA's "Conflict of Interest Code" (the "Code"). The Code requires employees to avoid conflicts of interest. In addition, employees subject to the Code are required to disclose certain economic interests to SHRA. If you are required to comply with the Code, you will be notified by the Agency Clerk.

The obligations established in this policy are in addition to any obligations established by the Conflict of Interest Code. However, if you ever feel this policy and the Code are in conflict, please discuss the matter with your supervisor.

Our Ethical Values

As an organization, we value:

- **Honesty and personal integrity**, including truthfulness in our dealings with SHRA, our coworkers, and the public.
- **Respect for others**, meaning acting professionally and courteously toward others, and following all SHRA rules regarding appropriate behavior and conduct toward others.
- **Legal compliance**, which includes the responsibility to know and follow the laws, regulations, and ordinances that apply to SHRA, to request assistance when we are unsure about the proper course of conduct, and to notify SHRA of potentially illegal or unethical conduct.

- **Protection of public resources**, which requires us not to misuse SHRA resources or time for personal or other reasons.

SHRA's Expectations of Employees

SHRA expects you to exhibit the values described above in your work and workplace behavior, to ask for assistance when needed, and to notify SHRA when you believe someone may have violated this policy.

Here are some examples of conduct that violates this policy:

- Accepting a bribe or favor in exchange for an SHRA benefit
- Not meeting professional commitments (for example, to return phone calls to clients or to arrive to work as scheduled)
- Submitting false time records
- Improperly disclosing client information without a business reason to do so
- Using SHRA equipment or time for a personal business or for the business of another employer
- Renting or leasing property you own or manage to SHRA or an SHRA client
- Having any financial interest (direct or indirect) in an entity doing business with SHRA.
- Managing the case file of a family member
- Accessing your own or a family member's case file
- Holding employment or serving on the board of an organization funded wholly or in part by the SHRA, without disclosing to the SHRA in advance
- Knowingly violating any law, regulation, or ordinance

For purposes of this policy, a "family member" includes a spouse, registered domestic partner, child, parent, sibling, uncle, aunt, first cousin, nephew, or niece, as well as in-laws, step-relations, and half-relations (e.g., parents-in-law, stepsons or stepdaughters, or half-sisters or half-brothers).

Disclosing Information to the SHRA

You must disclose any circumstances that could create an actual or perceived ethical breach to SHRA in advance, by immediately notifying your supervisor. The supervisor will then determine what appropriate steps to take, if any, to address the situation.

Here are some common circumstances in which you are required to disclose information to SHRA:

- If you or a family member are participating in an SHRA program.
- If you are assigned to manage a property or caseload which contains a family member.
- If you work for another employer, and your obligations to that employer could conflict with your obligations to SHRA

- If you have any financial interest in any entity doing business with SHRA
- If a family member works for or applies to work for SHRA
- If you purchase or obtain an interest in real property and any of the tenants residing at the property are clients of SHRA
- If you work for or serve on the board of an entity funded in whole or in part by SHRA

If you are subject to SHRA's "Conflict of Interest Code," you may be subject to additional disclosure requirements. The requirements in this policy are in addition to any disclosure requirements under the Code.

Treating Client Information Confidentially

Depending on the area in which you work, you may have access to private, personal information about SHRA clients or applicants, such as their family income, social security number, criminal and rental history, employment status, and disability status. Part of your ethical obligation requires you to treat that information confidentially, and not to disclose it to others unless there is a business reason to do so.

SHRA requires you to take particular measures to protect the confidentiality of client information transferred electronically. The Agency's Technology Usage Policy and Data Security Agreements are in place to ensure that technology is used in a professional and responsible manner. Agency departments, such as HCV, also use data security and confidentiality acknowledgement agreements that are specific to the requirements and restrictions of their programs. The Technology Usage Policy is available on the Agency Intranet. Some examples of the restrictions are:

- The use of "blind" copies ("bcc")
- Sharing any password to access any SHRA system or computer with any other individuals not specifically authorized to receive it.
- Leaving SHRA computers unattended when logged on, unless you have a password-protected screen saver.
- Transferring any client information to service providers or other agencies authorized to receive such information without a password protected/encrypted email message.

Accessing Client Information

If needed to do your job, SHRA provides you access to files and data about clients participating in SHRA programs. As stated above, if you or family member is participating in any SHRA programs, you must disclose it to the SHRA. Doing so enables SHRA to prevent actual or perceived conflicts of interest or other ethical breaches.

However, in addition, you are not permitted to access any SHRA files or data about you or your family members. Nor may you participate in any way in the management of your or a family member's case file. You may only access files and data about clients on your caseload, and you must immediately notify your supervisor if someone assigned to your caseload is a family member.

If you are participating in either of SHRA programs, you must follow regular channels to meet with your caseworker during his or her regular work hours. You may not meet with your caseworker to discuss your case when you are scheduled to be performing work for SHRA or when your caseworker is not scheduled to be performing work for SHRA.

Renting or Leasing Property to Clients

If you own or manage property in Sacramento County, you may not rent to clients participating in the Housing Choice Voucher Program.

Outside Employment

SHRA generally does not seek to regulate how employees spend their time outside of work. If you choose to work for another employer while working for SHRA, however, you must continue to uphold the ethical obligations described in this policy and comply with SHRA's Outside Employment Policy. It is not ethical, for example, to use SHRA time or resources (phones, fax machines, email, etc.) to conduct business for another employer. Nor is it ethical to use confidential SHRA information for the benefit of another employer. You must have approval from SHRA, in advance, before you commence outside employment.

Working with Family Members

SHRA's Nepotism Policy is outlined in the Agency Personnel Rules which are available on the Agency Intranet. Please notify SHRA of any family members working for SHRA or of any circumstances that could result in a violation of this provision (e.g., if a family member applies for employment with SHRA, or you become related to another SHRA employee by marriage).

Complying With Other SHRA Policies

You may be required to comply with other SHRA policies and procedures that relate to this policy and your obligation to act ethically. If at any time you believe there is a conflict between this policy and any other SHRA policy or practice, please immediately bring the matter to the attention of your supervisor or Human Resources.

When You Have Questions or Complaints

SHRA obviously cannot anticipate every potential situation that may require you to make an ethical and responsible decision. Therefore, if you have any questions, you should direct them to your supervisor.

Additionally, if you observe others engaging in conduct that you believe violates this policy, we want you to share the information with us so that we can appropriately address it. SHRA will investigate all complaints, commensurate with the circumstances. Please report any perceived violations of this policy to your supervisor.

SHRA prohibits retaliation for making a complaint under this policy, or in participating in the investigation of a complaint. If you believe someone is violating this policy against retaliation, please immediately report it to your supervisor.

Procedure:

Staff shall:

Acknowledge receipt of the policy and follow the policy as outlined above.

Process:

1. Department Heads/Supervisors shall:
Assist with any questions as needed or forward to a higher level supervisor or to Human Resources as appropriate.
2. Human Resources shall:
Disseminate this policy to all staff upon hire and on an annual basis thereafter.

Non-compliance:

Failure to comply with this Policy may result in disciplinary action up to and including termination.

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

ADOPTING A CONFLICT OF INTEREST CODE AND LIST OF DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

WHEREAS, the Political Reform Act, Government Code §81000 et seq., requires every state or local government agency to adopt and promulgate conflict of interest code; and

WHEREAS, the Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.; and

WHEREAS, the Political Reform Act requires every local government agency to review its conflict of interest code periodically to determine if it is accurate or needs to be amended; and

WHEREAS, all persons holding designed positions file statements of economic interests with the Sacramento Housing and Redevelopment Agency (Agency) Clerk, who is the filing officer with respect to these statements. The statements will be made available for public inspection and reproduction. Statements for all designated positions are retained by the Agency Clerk.

WHEREAS, the recommended activity is not a project under California Environmental Quality Act Guidelines section 15378(b) (5) and no environmental review is required; and

WHEREAS, the recommended action is an exempt activity under the National Environmental Policy Act, 24 CFR 58.34(a)(3).

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

Section 1. The above recitals, including the environmental recitals, are found to be true and correct.

Section 2. The terms of 2 Cal. Code of Regulations Section 18730, and amendments to that section which may be duly adopted by the Fair Political Practices Commission, is hereby adopted by reference as the body of the Conflict of Interest Code of the Sacramento Housing and Redevelopment Agency (Exhibit A).

Section 3. The list of designated positions and disclosure categories attached hereto as Exhibit A is hereby adopted as the Appendix of Designated Positions and Disclosure Categories referred to in 2 Cal. Code of Regulations Section 18730.

Table of Contents:

Exhibit A: SHRA Conflict of Interest Code, Designated Positions and Disclosure Categories.

CHAIR

ATTEST:

CLERK



July 29, 2016

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code
Amendment

SUMMARY

The attached report and resolution are submitted to you for review prior to review by the
County of Sacramento.

RECOMMENDATION

Approve staff recommendation as outlined in the report.

Respectfully submitted,



LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
September 13, 2016

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

From: Sacramento Housing and Redevelopment Agency

Subject: Sacramento Housing And Redevelopment Agency (SHRA) Conflict Of Interest Code Update

Supervisory

District: Countywide

Contact: David Levin, General Counsel, 440-1319
Vickie Smith, Agency Clerk, 440-1363

Overview

The State of California's Political Reform Act requires all public agencies to adopt a Conflict of Interest (COI) Code for their employees, consultants and Board members. This report updates the current SHRA conflict of interest code, disclosure categories, and designated employee list.

Recommendations

Adopt a **Housing Authority Resolution:** a) adopting the updated Conflict of Interest Code, designated positions, and disclosure categories for SHRA, b) repealing resolutions HA-1591, HA-1632, HA-1764, HA-1772, HA 1816, HA 1914, HA-1949, HA-1988, HA-2049, HA-2094, HA 2176, HA 2313, and HA-2362, and c) making related environmental findings.

Adopt a **Board of Supervisors Resolution:** a) approving the updated Conflict of Interest code, designated positions, and disclosure categories for SHRA, and b) making related environmental findings.

Measures/Evaluation

Not applicable

Fiscal Impact

Not applicable

BACKGROUND

Sacramento Housing and Redevelopment Agency (SHRA) is a public agency that provides exclusive staffing for the Housing Authority of the County of Sacramento and administers certain federal housing and community development funding and programs on behalf of the County of Sacramento. Per the State of California's Political Reform Act, all public agencies are required to adopt a Conflict of Interest (COI) Code for their employees, consultants and Board members. In compliance with the law, SHRA adopted a Conflict of Interest Code on January 25,

1983, which adopted by reference the provisions of the California Administrative Code. SHRA has periodically updated that code and currently desires to amend its designated employee list to reflect added or modified employee positions per Government Code 81000, which requires local agencies to update their code to reflect changed circumstances relating to its designated filers and disclosure positions. Attachment 1 includes the COI code, the Disclosure Categories, and the Designated Positions List with the proposed modifications. In 2014, a "Code of Ethics" policy was adopted for all staff which is included as Attachment 2 for reference. The Code of Ethics policy outlines required ethical standards for all staff, regardless of their status as a designated COI Form 700 filer. Staff recommended adoption of the Code of Ethics policy as a "best practices" measure and to ensure clear guidance for employees regarding their conduct.

COMMISSION ACTION

At its meeting of August 3, 2016, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

MEASURES/EVALUATIONS

Not applicable

FINANCIAL ANALYSIS

Not applicable.

POLICY CONSIDERATIONS

A Conflict of Interest Code must be amended in the event of changed circumstances, such as the addition of new classifications or the modification of existing classifications (Government code Section 87306). SHRA's updated code includes the addition of positions that have been deemed to have authorities that require filing; modification of positions that have been reclassified; deletion of classifications that no longer exist; and deletion of positions that have been deemed not to have authorities that require filing.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): Activities authorized in this report have been analyzed in accordance with CEQA and are determined to be not a project per 14 California Code of Regulations (CCR) § 15378(b)(2).

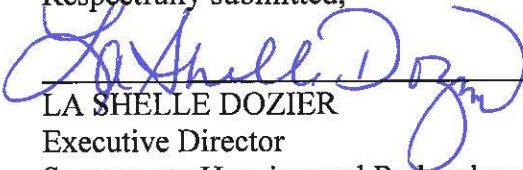
Sustainability Considerations: Not applicable.

National Environmental Policy Act (NEPA): Activities authorized in this report have been analyzed in accordance with NEPA and are determined to be Exempt per 24 CFR § 58.34(a) (3).

M/WBE AND SECTION 3 CONSIDERATIONS

The activities recommended in this report do not involve federal funding; therefore, there are no M/WBE or Section 3 requirements.

Respectfully submitted,



LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

APPROVED

NAVEEN S. GILL
County Executive

Attachments:

RES – County BOS Resolution

RES – HACOS Resolution

ATT 1 – Conflict of Interest Code, Designated employee list and Disclosure Categories

ATT 2 – SHRA code of ethics policy

RESOLUTION NO. _____

ON DATE OF

**APPROVING SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY'S
UPDATED CONFLICT OF INTEREST CODE, LIST OF DESIGNATED POSITIONS
AND DISCLOSURE CATEGORIES**

WHEREAS, the Political Reform Act, Government Code §81000 et seq., requires every state or local government agency to adopt and promulgate a conflict of interest code.

WHEREAS, the County of Sacramento is the code-reviewing body for the Sacramento Housing and Redevelopment Agency and the County as a member of the joint powers authority retains jurisdiction to approve revisions to Agency policy.

WHEREAS, the Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.

WHEREAS, the Political Reform Act requires every local government agency to review its conflict of interest code periodically to determine if it is accurate or needs to be amended.

WHEREAS, all persons holding designated positions file statements of economic interests with the Agency Clerk, who is the filing officer with respect to these statements. The statements will be made available for public inspection and reproduction. Statements for all designated positions are retained by the Agency Clerk.

WHEREAS, the recommended activity is not a project under California Environmental Quality Act Guidelines section 15378(b)(5) and no environmental review is required.

WHEREAS, the recommended action is an exempt activity under the National Environmental Policy Act, 24 CFR 58.34(a)(3).

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

Section 1. The above recitals, including the environmental recitals are found to be true and correct.

Section 2. The terms of 2 Cal. Code of Regulations Section 18730, and amendments to that section which may be duly adopted by the Fair Political Practices Commission, is hereby

adopted by reference as the body of the Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency.

Section 3. The Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency, Designated Positions and Disclosure Categories are hereby approved.

Section 4. This Conflict of interest code is effective immediately and newly added designees are required to file within 30 days of the effective date of the Code.

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 13 day of September, 2016, by the following vote, to wit:

AYES: Supervisors,
NOES: Supervisors,
ABSENT: Supervisors,
ABSTAIN: Supervisors,
RECUSAL: Supervisors,

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk

RESOLUTION NO. _____

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

ON DATE OF

**APPROVING THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
CONFLICT OF INTEREST CODE, LIST OF DESIGNATED POSITIONS AND
DISCLOSURE CATEGORIES**

WHEREAS, the Political Reform Act, Government Code §81000 et seq., requires every state or local government agency to adopt and promulgate a conflict of interest code.

WHEREAS, the County of Sacramento is the code-reviewing body for the Sacramento Housing and Redevelopment Agency, but the Housing Authority, as a member of the joint powers authority, retains jurisdiction to approve revisions to Agency policy.

WHEREAS, the Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations Section 18730, which contains the terms of a standard model conflict of interest code, which can be incorporated by reference, and which will be amended by the Fair Political Practices Commission to conform to any amendments in the Political Reform Act after public notice and hearing pursuant to the Administrative Procedures Act, Government Code Sections 11370, et seq.

WHEREAS, the Political Reform Act requires every local government agency to review its conflict of interest code periodically to determine if it is accurate or needs to be amended.

WHEREAS, all persons holding designated positions file statements of economic interests with the Agency Clerk, who is the filing officer with respect to these statements. The statements will be made available for public inspection and reproduction. Statements for all designated positions are retained by the Agency Clerk.

WHEREAS, the recommended activity is not a project under the California Environmental Quality Act (CEQA) 15378(b)(5) and no environmental review is required.

WHEREAS, the recommended action is an exempt activity under the National Environmental Policy Act (NEPA), 24 CFR 58.34(a)(3).the National Environmental Policy Act, 24 CFR 58.34(a)(3).

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

Section 1. The above recitals, including the environmental facts, are found to be true

Section 2. Prior Housing Authority Resolutions adopted related to the SHRA conflict of interest code (resolutions HA-1591, HA-1632, HA-1764, HA-1772, HA 1816, HA 1914, HA-1949, HA-1988, HA-2049, HA-2094, HA-2176, HA-2313, and HA-2362) are hereby repealed.

Section 3. The terms of 2 Cal. Code of Regulations Section 18730, and amendments to that section which may be duly adopted by the Fair Political Practices Commission, is hereby adopted by reference as the body of the Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency and the Housing Authority of the County of Sacramento.

Section 4. The Conflict of Interest Code for the Sacramento Housing and Redevelopment Agency, Designated Positions and Disclosure Categories are hereby approved.

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 13 day of September, 2016, by the following vote, to wit:

- AYES: Members,
- NOES: Members,
- ABSENT: Members,
- ABSTAIN: Members,
- RECUSAL: Members,

Chair of the Housing Authority
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY DISCLOSURE CATEGORIES - updated 9-13-2016

Category 1:

- a. Interest in real property located within the City and County of Sacramento (~~excluding your primary residence [owned or leased]~~);
- b. All income, loans and gifts, investments, positions and ownership interests in any business located in or doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency; ~~and~~
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 2:

- a. Interest in real property located within the City and County of Sacramento, (~~excluding your primary residence [owned or leased]~~);
- b. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and . services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); ~~and~~
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 3:

- a. Interest in any real property improved for residential purposes or zoned for residential use

located within the City or County of Sacramento (excluding your primary residence [owned or leased]);

- b. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); and
- c. All sources of income, loans and gifts from individuals residing in the City or County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency.

Category 4:

- a. Income, loans and gifts, investments, positions and ownership interest in any business with any entity administered by the Sacramento Housing and Redevelopment Agency and/or doing business which relates to the types of activities carried on by these entities (e.g., real property construction and management, material and supplies for real property maintenance and construction, general office supplies and services, consulting and services relating to all property development and management businesses located in or near Redevelopment Project Areas, Community Development Target Areas or Agency-owned housing developments); and
- b. All sources of income, loans and gifts from individuals residing in the City of County of Sacramento, doing business in the City or County of Sacramento and/or doing business with any entity administered by the Sacramento Housing and Redevelopment Agency
Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code (Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.);

Sacramento Housing and Redevelopment Agency (Agency) Conflict of Interest Code – updated 9-13-2016

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in Exhibit A referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Government Code section 87300 or the amendment of a conflict of interest code within the meaning of Government Code section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Government Code sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Government Code section 87100, and to other state or local laws pertaining to conflicts of interest. Therefore the terms of 2 California Code of Regulations, (CCR) Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Exhibits designating positions and establishing disclosure requirements shall constitute the conflict of interest code of the Sacramento Housing and Redevelopment Agency.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code of Regs. sections 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in ~~the~~ Exhibit B are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Government Code section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Government Code sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Government Code section 87200; and

(C) The filing officer is the same for both agencies.

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in ~~the~~ Exhibit A specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Exhibit A. It

has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

Individuals holding designated positions at the Agency shall file their statements of economic interest with the Agency Clerk who make the statements available for public inspection and reproduction (Govt Code Sec. 81008).

_____ Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The Executive Director or designee may determine in writing that a particular consultant or new position, although a "designated position" is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements of this section. Such written determination shall include a description of the consultant's or new positions duties and, based on up that description, a statement of the extent of disclosure requirements. The written determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code. (Gov. Code Section 81008).

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated

positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1st.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

~~_____ (A) Contents of Initial Statements.~~

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. Section 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure

When an investment or an interest in real property is required to be reported, the statement shall contain the following:

~~(B) Contents of Assuming Office Statements:~~

~~Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.~~

~~(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87202.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. Section 18754.~~

~~(D) Contents of Leaving Office Statements:~~

~~Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.~~

~~(7) Section 7. Manner of Reporting:~~

~~Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:~~

~~(A) Investment and Real Property Disclosure:~~

~~When an investment or an interest in real property is required to be reported, the statement shall contain the following:~~

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general
_____ description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real
property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars
(\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars
(\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported, the
statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars
_____ (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a
_____ general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case
_____ of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less,
_____ greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or
_____ greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any
_____ intermediary through which the gift was made; a description of the gift; the amount or value of
_____ the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the
_____ loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including
_____ income of a sole proprietorship, is required to be reported, the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of ~~\$420~~400.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than ~~\$420~~400 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and

control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (8), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of one hundred dollars (\$100) or more was made on the
_____ loan.

c. The date upon which the debtor has made payments on the loan aggregating to less
_____ than two hundred fifty dollars (\$250) during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for
_____ elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which
_____ the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which
_____ the creditor, based on reasonable business considerations, has not undertaken collection
_____ action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of
_____ this paragraph has the burden of proving that the decision for not taking collection action was
_____ based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately
_____ discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9
of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use
his or her official position to influence the making of any governmental decision which he or
she knows or has reason to know will have a reasonably foreseeable material financial effect,
distinguishable from its effect on the public generally, on the official or a member of his or her

immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420,460 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.31) Section 9.31. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.25) Section 9.25. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state

administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to _____ members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to _____ members of the public regarding the rendering of goods or services totaling in value one _____ thousand dollars (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 and 2 Cal. Code Regs. Sections 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the Agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

1 Designated employees who are required to file statements of economic interests under any

other Agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

2. See Government Code section 81010 and 2 Cal. Code of Regs. Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3. For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4. Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5. A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6. Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14).
Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter
(Register 81, No.2).
4. Amendment of subsection (b) (7) (8) 1. filed 1-26-83; effective thirtieth day thereafter
(Register 83, No.5).
5. Amendment of subsection (b) (7) (A) filed 11-10-83; effective thirtieth day thereafter
(Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).
7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b) (8)(A) and (b) (8)(8) and numerous editorial changes filed
8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and
amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93;
operative 2-4-93 (Register 93, No.6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental
Health Planning Council filed 11-22-93 pursuant to title1, section 1 ~O, California Code of
Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California
Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1,
section 100, California Code of Regulations (Register 94, No.1).
13. Editorial correction adding History11 and 12 and deleting duplicate section number

(Register 94, No. 17).

14. Amendment of subsection (b)(8), designation of subsection (b)(S)(A), new subsection (b)(S)(8), and amendment of subsections (b)(8.1)-(b)(8.1)(8), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).

15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(S)(A)-(8) and (b)(8.1)(A), repealer of subsection (b)(8.1)(8), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).

17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).

18. Amendment of subsections (b)(7)(8)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).

19. Editorial correction of subsection (a) (Register 98, No. 47).

20. Amendment of subsections (b)(8.1), (b)(S.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).

21. Amendment of subsections (b)(8.1)-(b)(S.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).

22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District,

~~nonpublished-unpublished~~ decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No.2).

23. Amendment of subsections (b)(7)(A)4., (b)(7)(8)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4 filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, ~~nonpublished-unpublished~~ decision, April 27, 1992 (FPPC regulations only subject to 1974

Administrative Procedure Act rulemaking requirements) (Register 2001, No.7).

24. Amendment of subsections (b)(B.1)-(b)(B.1)(A) filed 1-16-2003; operative 1-1-2003.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District,

~~nonpublished-unpublished~~ decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No.3).

25. Editorial correction of History24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(B.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No.1).

28. Amendment of Subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(B.1), (b)(B.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices*

Commission v. Office of Administrative Law, 3 Civil C010924, California Court of Appeal, Third

Appellate District, ~~nonpublished-unpublished~~ decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of Subsections (b)(B.1)-(b)(B.1)(A) and (b)(9)(E) filed 10-31-2008; operative

11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, ~~non-published~~unpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 200B, No. 44).

Designated position	Change	Disclosure Category
AGENCY CLERK	No change	1
AGENCY COUNSEL	No change	1
ASSISTANT AGENCY CLERK	No longer required for this position	
ASSISTANT DIRECTOR OF HOUSING AND COMMUNITY DEVELOPMENT	Change title to Assistant Director	1
ASSISTANT DIRECTOR OF HOUSING CHOICE VOUCHER	Change title to Assistant Director	1
ASSISTANT DIRECTOR OF REAL ESTATE AND CONSTRUCTION SERVICES	Change title to Assistant Director	1
ASSISTANT SITE MANAGER	Remove – title no longer used	3
BUYER	Remove – title no longer used	4
COMMUNITY DEVELOPMENT ANALYST 1, 2, or 3	Newly added position	2
COMPLIANCE/PROCUREMENT ANALYST	No change	1
CONSTRUCTION TECHNICIAN	No change	3
DEPUTY EXECUTIVE DIRECTOR	No change	1
DESIGN AND CONSTRUCTION SERVICES MANAGER	Change title to Program Manager	1
DIRECTOR OF DEVELOPMENT	Change title to Director	1
DIRECTOR OF HOUSING AUTHORITY	Change title to Director	1
DIRECTOR	Add new title/classification	1
EXECUTIVE DIRECTOR	No change	1
ENVIRONMENTAL ANALYST	Change title to Management Analyst	1
FINANCE DIRECTOR	Change title to Director	1
FINANCE MANAGER	Change title to Program Manager	1
GENERAL COUNSEL	No change	1

Designated position	Change	Disclosure Category
HOMEOWNERSHIP SERVICES SUPERVISOR	Change title to Supervisor	3
HOUSING ASSISTANT –HCV	No longer required for this position	3
HOUSING PROGRAM – SPECIALIST - HCV	No change	3
HOUSING PROGRAM SPECIALIST - HSG	No change	3
HOUSING AUTHORITY MANAGER - HCV	Change title to Program Manager	1
HOUSING AUTHORITY MANAGER - CNV	Change title to Program Manager	1
HOUSING AUTHORITY ANALYST - HCV	No change	3
HOUSING AUTHORITY ANALYST - HSG	No change	3
HOUSING AUTHORITY SPECIALIST - HCV	Remove – title no longer used	3
HOUSING AUTHORITY SPECIALIST - HSG	Remove – title no longer used	3
HOUSING AUTHORITY SUPERVISOR - HCV	Change title to Supervisor	3
HOUSING AUTHORITY SUPERVISOR - HSG	Change title to Supervisor	3
HOUSING FINANCE ANALYST - RANGE 1	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING FINANCE ANALYST - RANGE 2	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING FINANCE ANALYST - RANGE 3	Change to Housing Finance Analyst 1, 2 or 3	2
HOUSING PROGRAM TECHNICIAN 1	No Change	3
HOUSING PROGRAM TECHNICIAN 2	No Change	3
HUMAN RESOURCES MANAGER	Change title to Program Manager	1
IMTS MANAGER	No Change	1
IT APP/DEV SPECIALIST	Newly added position	4
IT NETWORK/MIDRANGE	No Change	4

Designated position	Change	Disclosure Category
SPECIALIST		
LOAN ADMINSTRATOR	Newly added position	2
LOAN SERVICING ANALYST	Newly added position	2
MANAGEMENT ANALYST	No Change	1
MAINTENANCE LEAD	Newly added position	3
MAINTENANCE SPECIALIST – STATIONERY ENGINEER	Newly added position	3
MAINTENANCE SPECIALIST – FIRE AND LIFE SAFETY	Newly added position	3
PRINCIPAL CONSTRUCTION ARCHITECT/CONSTRUCTION ENGINEER	Change - Combine with Construction Engineer	2
PRINCIPAL CONSTRUCTION TECHNICIAN	No Change	2
PRINCIPAL HOUSING AUTHORITY ANALYST - HCV	No Change	3
PRINCIPAL HOUSING AUTHORITY ANALYST - HSG	No change	3
PRINCIPAL LOAN PROCESSING ANALYST	Newly added position	2
PRINCIPAL PROCUREMENT SERVICES ANALYST	Remove – title no longer used	1
PRINCIPAL REGULATORY COMPLIANCE ANALYST	No change	2
PROCUREMENT SERVICES SUPERVISOR	Change title to Supervisor	2
PROGRAM MANAGER, COMMUNITY/SOCIAL SERVICES	Change title to Program Manager	1
PROGRAM MANAGER- PORTFOLIO MANAGEMENT	Change title to Program Manager	1
PROGRAM INTEGRITY ANALYST	Newly added position	2
PROJECT MANAGER	No Change	1
PUBLIC INFORMATION OFFICER	No Change	1
REAL ESTATE COORDINATOR	Newly added position	1
REAL ESTATE MANAGER	Change title to Program Manager	1

Designated position	Change	Disclosure Category
REAL ESTATE MANAGER LEVEL 2	Change title to Program Manager	1
REAL ESTATE SPECIALIST	No longer required for this position	3
REDEVELOPMENT ANALYST RANGE 1	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT ANALYST RANGE 2	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT ANALYST RANGE 3	Change to Redevelopment Analyst 1, 2 or 3	3
REDEVELOPMENT MANAGER	Change to Program Manager	1
REDEVELOPMENT PLANNER - RANGE 1	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT PLANNER - RANGE 2	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT PLANNER - RANGE 3	Change to Redevelopment Planner 1, 2 or 3	2
REDEVELOPMENT SPECIALIST 1, 2, OR 3	Newly added position	2
REGULATORY COMPLIANCE ANALYST	No change	2
RISK SERVICES MANAGER	Change to Management Analyst	1
SENIOR HR ANALYST	Newly added position	1
SITE MANAGER I/II	Add level I/II information	2
SHRA COMMISSION MEMBERS	No change	1
LOAN COMMITTEE MEMBERS	No change	1
CONSULTANTS/NEW POSITIONS	No change	1

Sacramento Housing and Redevelopment Agency

POLICY/PROCEDURE INSTRUCTION

TO: All SHRA Staff

FROM: La Shelle Dozier, Executive Director

POLICY SUBJECT: SHRA Code of Ethics Policy - Acting Ethically and Responsibly

EFFECTIVE: July 15, 2014

Scope - This policy applies to all employees of the Sacramento Housing and Redevelopment Agency (SHRA).

Purpose - The purpose of this Policy is to help you understand SHRA's expectations for ethical and responsible behavior and related legal requirements.

Policy: As a public agency, SHRA is committed to acting in the best interest of the communities and clients whom we serve. We have the same expectation of our employees.

SHRA's Conflict of Interest Code

Certain employees are subject to SHRA's "Conflict of Interest Code" (the "Code"). The Code requires employees to avoid conflicts of interest. In addition, employees subject to the Code are required to disclose certain economic interests to SHRA. If you are required to comply with the Code, you will be notified by the Agency Clerk.

The obligations established in this policy are in addition to any obligations established by the Conflict of Interest Code. However, if you ever feel this policy and the Code are in conflict, please discuss the matter with your supervisor.

Our Ethical Values

As an organization, we value:

- **Honesty and personal integrity**, including truthfulness in our dealings with SHRA, our coworkers, and the public.
- **Respect for others**, meaning acting professionally and courteously toward others, and following all SHRA rules regarding appropriate behavior and conduct toward others.
- **Legal compliance**, which includes the responsibility to know and follow the laws, regulations, and ordinances that apply to SHRA, to request assistance when we are unsure about the proper course of conduct, and to notify SHRA of potentially illegal or unethical conduct.

- **Protection of public resources**, which requires us not to misuse SHRA resources or time for personal or other reasons.

SHRA's Expectations of Employees

SHRA expects you to exhibit the values described above in your work and workplace behavior, to ask for assistance when needed, and to notify SHRA when you believe someone may have violated this policy.

Here are some examples of conduct that violates this policy:

- Accepting a bribe or favor in exchange for an SHRA benefit
- Not meeting professional commitments (for example, to return phone calls to clients or to arrive to work as scheduled)
- Submitting false time records
- Improperly disclosing client information without a business reason to do so
- Using SHRA equipment or time for a personal business or for the business of another employer
- Renting or leasing property you own or manage to SHRA or an SHRA client
- Having any financial interest (direct or indirect) in an entity doing business with SHRA.
- Managing the case file of a family member
- Accessing your own or a family member's case file
- Holding employment or serving on the board of an organization funded wholly or in part by the SHRA, without disclosing to the SHRA in advance
- Knowingly violating any law, regulation, or ordinance

For purposes of this policy, a "family member" includes a spouse, registered domestic partner, child, parent, sibling, uncle, aunt, first cousin, nephew, or niece, as well as in-laws, step-relations, and half-relations (e.g., parents-in-law, stepsons or stepdaughters, or half-sisters or half-brothers).

Disclosing Information to the SHRA

You must disclose any circumstances that could create an actual or perceived ethical breach to SHRA in advance, by immediately notifying your supervisor. The supervisor will then determine what appropriate steps to take, if any, to address the situation.

Here are some common circumstances in which you are required to disclose information to SHRA:

- If you or a family member are participating in an SHRA program.
- If you are assigned to manage a property or caseload which contains a family member.
- If you work for another employer, and your obligations to that employer could conflict with your obligations to SHRA

- If you have any financial interest in any entity doing business with SHRA
- If a family member works for or applies to work for SHRA
- If you purchase or obtain an interest in real property and any of the tenants residing at the property are clients of SHRA
- If you work for or serve on the board of an entity funded in whole or in part by SHRA

If you are subject to SHRA's "Conflict of Interest Code," you may be subject to additional disclosure requirements. The requirements in this policy are in addition to any disclosure requirements under the Code.

Treating Client Information Confidentially

Depending on the area in which you work, you may have access to private, personal information about SHRA clients or applicants, such as their family income, social security number, criminal and rental history, employment status, and disability status. Part of your ethical obligation requires you to treat that information confidentially, and not to disclose it to others unless there is a business reason to do so.

SHRA requires you to take particular measures to protect the confidentiality of client information transferred electronically. The Agency's Technology Usage Policy and Data Security Agreements are in place to ensure that technology is used in a professional and responsible manner. Agency departments, such as HCV, also use data security and confidentiality acknowledgement agreements that are specific to the requirements and restrictions of their programs. The Technology Usage Policy is available on the Agency Intranet. Some examples of the restrictions are:

- The use of "blind" copies ("bcc")
- Sharing any password to access any SHRA system or computer with any other individuals not specifically authorized to receive it.
- Leaving SHRA computers unattended when logged on, unless you have a password-protected screen saver.
- Transferring any client information to service providers or other agencies authorized to receive such information without a password protected/encrypted email message.

Accessing Client Information

If needed to do your job, SHRA provides you access to files and data about clients participating in SHRA programs. As stated above, if you or family member is participating in any SHRA programs, you must disclose it to the SHRA. Doing so enables SHRA to prevent actual or perceived conflicts of interest or other ethical breaches.

However, in addition, you are not permitted to access any SHRA files or data about you or your family members. Nor may you participate in any way in the management of your or a family member's case file. You may only access files and data about clients on your caseload, and you must immediately notify your supervisor if someone assigned to your caseload is a family member.

If you are participating in either of SHRA programs, you must follow regular channels to meet with your caseworker during his or her regular work hours. You may not meet with your caseworker to discuss your case when you are scheduled to be performing work for SHRA or when your caseworker is not scheduled to be performing work for SHRA.

Renting or Leasing Property to Clients

If you own or manage property in Sacramento County, you may not rent to clients participating in the Housing Choice Voucher Program.

Outside Employment

SHRA generally does not seek to regulate how employees spend their time outside of work. If you choose to work for another employer while working for SHRA, however, you must continue to uphold the ethical obligations described in this policy and comply with SHRA's Outside Employment Policy. It is not ethical, for example, to use SHRA time or resources (phones, fax machines, email, etc.) to conduct business for another employer. Nor is it ethical to use confidential SHRA information for the benefit of another employer. You must have approval from SHRA, in advance, before you commence outside employment.

Working with Family Members

SHRA's Nepotism Policy is outlined in the Agency Personnel Rules which are available on the Agency Intranet. Please notify SHRA of any family members working for SHRA or of any circumstances that could result in a violation of this provision (e.g., if a family member applies for employment with SHRA, or you become related to another SHRA employee by marriage).

Complying With Other SHRA Policies

You may be required to comply with other SHRA policies and procedures that relate to this policy and your obligation to act ethically. If at any time you believe there is a conflict between this policy and any other SHRA policy or practice, please immediately bring the matter to the attention of your supervisor or Human Resources.

When You Have Questions or Complaints

SHRA obviously cannot anticipate every potential situation that may require you to make an ethical and responsible decision. Therefore, if you have any questions, you should direct them to your supervisor.

Additionally, if you observe others engaging in conduct that you believe violates this policy, we want you to share the information with us so that we can appropriately address it. SHRA will investigate all complaints, commensurate with the circumstances. Please report any perceived violations of this policy to your supervisor.

SHRA prohibits retaliation for making a complaint under this policy, or in participating in the investigation of a complaint. If you believe someone is violating this policy against retaliation, please immediately report it to your supervisor.

Procedure:

Staff shall:

Acknowledge receipt of the policy and follow the policy as outlined above.

Process:

1. Department Heads/Supervisors shall:
Assist with any questions as needed or forward to a higher level supervisor or to Human Resources as appropriate.
2. Human Resources shall:
Disseminate this policy to all staff upon hire and on an annual basis thereafter.

Non-compliance:

Failure to comply with this Policy may result in disciplinary action up to and including termination.

MEMORANDUM

Date: July 25, 2016
To: Sacramento Housing and Redevelopment Commission
From: Greg Sandlund, Senior Planner, 916-808-8931; Marco Gonzalez, Assistant Planner, 916-808-2027
SUBJECT: Update to the Housing Trust Fund Ordinance

New Development Fee Ordinance

On April 3, 2015 the City Council adopted the 2035 General Plan that included policies to prepare and adopt citywide and/or sub-area development impact fee programs to ensure new development pays its fair share of needed infrastructure improvements to support projected growth and development, including infill; and to identify new funding mechanisms for infrastructure, including new finance plans and infrastructure loan mechanisms.

Staff is proposing to move the Housing Trust Fund Ordinance to the new Development Impact Fee Ordinance (Section 18.56), to be combined with other development impact fee articles. The Citywide Development Impact Fee (DIF) program has been developed to prioritize and restructure existing impact fees as part of a master ordinance established under City Code section 18.56 and will include the following fees: Parks DIF, Transportation DIF, Housing Trust Fund Fee, River District DIF, 65th Street Area DIF, Jacinto Creek DIF.

The goal of this effort is to make infrastructure financing more predictable, easy to administer, and provide needed infrastructure to support future infill development throughout the City, providing certainty for developers and City staff, funding for needed infrastructure, and offering financial incentives to stimulate development.

The Housing Trust Fund Fee Update

The Housing Trust Fund fee is an impact fee on nonresidential development. The fee is based on the relationship between jobs created by new commercial development and the increased demand for affordable housing. On December 17, 2013, the City Council updated the Housing Element of the City's General Plan. The new Housing Element includes a policy to update the

Housing Trust Fund Ordinance “to apply the fees equally throughout the City and modify aspects of the ordinance that have proven to be ineffective over the years” (Program 26).

The amount of the Housing Trust Fund fee depends on the type of commercial development. This trust fund provides gap financing for affordable housing development. Since 1989, the City has collected a total of \$36,344,800, which has helped to leverage the construction of over 3,400 affordable housing units. The current citywide fees (per square foot) are as follows:

Office	Hotel	Research/Development	Commercial	Manufacturing	Warehouse
\$ 2.50	\$ 2.38	\$ 2.12	\$ 2.00	\$ 1.57	\$ 0.68

Highlights

Staff is proposing an update to the Housing Trust Fund Ordinance make the following streamlining improvements:

- 1.) Making the fee more predictable by removing the North Natomas fee schedule and have one citywide fee schedule.
- 2.) Streamlining mixed use affordable housing development by exempting nonresidential square footage from the fee.
- 3.) Clarifying how fees are assessed for new buildings and changes of use;
- 4.) Removing the warehouse/office rate. Warehouse space will be charged the warehouse rate, office space will be charged the office rate.
- 5.) Making the code easier to read by developers and staff by breaking up large paragraphs.
- 6.) Specifying the percentage of fee revenue to be used by the City and SHRA.

Next Steps

Citywide Development Impact Fee Program -Schedule	
	Date
Public Outreach	June 14, 2016- August 10, 2016
One on One Stakeholder Meetings	June 14, 2016-August 17, 2016
Sacramento Housing and Redevelopment Commission (SHRC)	August 3, 2016
Large Public Stakeholder Meeting	August 10, 2016
Parks and Recreation Commission (PRC)	August 17, 2016
Planning and Design Commission (PDC)	August 25, 2016
Budget and Audit (BA)	September 6, 2016
Law & Legislation (LL)	September 13, 2016
Pass for Publication	September 20, 2016
City Council	October 4, 2016
Ordinance Takes Effect (6 months later)	April 1, 2017

Attachments:

1. Draft ordinance and fee resolution
2. Current Housing Trust Fund Ordinance

ORDINANCE NO.

Adopted by the Sacramento City Council
Date Adopted

**AN ORDINANCE ADDING ARTICLE IV TO CHAPTER 18.56 AND DELETING CHAPTER 17.708 OF
THE SACRAMENTO CITY CODE, RELATING TO THE HOUSING TRUST FUND FEE**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Article IV is added to chapter 18.56 of the Sacramento City Code to read as follows:

Article IV. Housing Trust Fund Fee

18.56.410 Definitions.

The following definitions apply in this article:

“Affordable housing” means housing that is rented at an affordable rent or sold at an affordable housing price.

“Affordable housing price” means a sales price at which low-income households can qualify for the purchase of for-sale dwelling units. Qualification is based on no more than 35% of income being applied to housing expenses (mortgage principal and interest, taxes, insurance, and assessments).

“Affordable rent” means a monthly rent consisting of a maximum of one-twelfth of 30% of 80% of the median income in the county, adjusted for household size appropriate to the unit, less a reasonable allowance for utilities. The median income in the county is determined by the United States Department of Housing and Urban Development.

“Fee report” means the city council-approved nexus study that calculates the housing trust fund fee amounts, including any amendments.

“Housing unit” means a dwelling unit of any tenure or price.

“Housing trust fund” means the fund created by section 18.56.430.

“Housing trust fund fee” means the fee established by the city council under section 18.56.420 to provide funding for the direct and indirect costs of constructing affordable housing, with priority given to very low-income households.

“Low-income households” means households with incomes at 80% or below of the median income in the county as determined by the United States Department of Housing and Urban Development.

“Mixed-use project” means any development project that is comprised of both a commercial or industrial use and a residential use.

“Nonresidential development project” means a construction project undertaken for the purpose of developing a commercial or industrial use set forth in the Planning and Development Code, a mixed-use project, or any other use determined by the city manager to impact housing demand.

“Regulatory agreement” means an agreement with the Sacramento Housing and Redevelopment Agency, recorded on title, requiring the dwelling units to remain affordable for a period of no less than 30 years.

“SHRA director” means the director of the Sacramento Housing and Redevelopment Agency or the director’s designee.

“Very low-income households” means households with incomes at 50 % or below of the median income in the county as determined by the United States Department of Housing and Urban Development.

18.56.420 Housing trust fund fee.

The housing trust fund fee is established and imposed on nonresidential development projects. The fee amounts adopted by city council resolution shall not exceed the amounts calculated in the fee report, provided that the fee amounts may be subject to automatic annual adjustment as specified by city council resolution.

18.56.430 Housing trust fund; use of fee revenues.

- A. The housing trust fund is established. The city shall deposit all revenues generated under this article, and any interest earned on the fund balance, into the housing trust fund. The housing trust fund may receive monies from other sources.
- B. The housing trust fund shall be administered by the SHRA director, who has the authority to govern the fund consistent with this article and to prescribe procedures for that purpose, subject to approval by the city council.
- C. Revenues and interest income deposited into the housing trust fund shall be used to do the following:

1. Provide loans, grants, or other subsidies to nonprofit and for-profit housing developers, governmental entities, and individuals to develop new or substantially rehabilitated affordable housing for low-income and very low-income households whose members are in the labor force, with priority given to very low-income households; and
2. Reimburse the city and SHRA for the costs of administering the housing trust fund fee, the housing trust fund, and this article.

D. Section 18.56.140, concerning the disposition of unexpended or unappropriated fee revenues, does not apply to the housing trust fund fee or housing trust fund.

E. Section 18.56.150, concerning annual reports and review of fees, does not apply to the housing trust fund fee or housing trust fund. Instead, the SHRA director, by June 30th of every year, shall prepare for the city council a report identifying the following information for the prior calendar year:

1. A statement of income, expenses, disbursements, and other uses of the housing trust fund;
2. The current housing trust fund fee amount, reflecting any automatic annual adjustments under section 18.56.120;
3. The total number of low-income and very low-income housing units constructed or assisted during the prior calendar year and the amount of such assistance; and
4. Any recommended changes necessary to carry out the purpose of this article.

18.56.440 Exemptions.

In addition to the exemptions set forth in subsection C of section 18.56.125, the following nonresidential development projects are exempt from the provisions of this article:

A. Nonresidential development projects that are located on property owned by the State of California or the United States of America, or any of their agencies, with the exception of property not used exclusively for governmental or educational purposes; provided, however, this article shall apply at the time a nonresidential development project no longer meets the requirements for exemption. Compliance with this article shall be the obligation of the owner of the land on which the project is located when the project no longer meets the exemption requirements. If the land is owned by the State of California or the United States of America, but another party holds a possessory

interest in the land, then the holder of the possessory interest shall comply with this article;

B. Any commercial building area that is part of a mixed-use multi-unit dwelling where more than 50% of the gross area is devoted to dwelling units and at least 20% of the dwelling units are restricted to occupancy by low-income households as evidenced in a regulatory agreement;

C. The use is operated by a nonprofit organization that provides food storage, meal service, or temporary shelter to the homeless;

D. The use is operated by a nonprofit organization that provides essential services (such as medical or emergency care) without cost to the recipient and serves primarily low-income households;

E. Carports and garages;

F. Temporary commercial uses and buildings; and

G. Any use made exempt by resolution of the city council.

18.56.450 Special fee determinations.

A. The city manager shall determine and calculate the housing trust fund fee in accordance with section 18.56.130. In the following situations, however, the city manager shall determine and calculate the housing trust fund fee on a case-by-case basis:

1. When the use requires a special fee determination as indicated in the fee resolution adopted under section 18.56.420;

2. When the use does not fall into one of the categories listed in the fee resolution adopted under section 18.56.420; and

3. When the city manager determines that due to the unique characteristics of the nonresidential development project, the project's anticipated employee density is not consistent with the employee densities for the uses listed in the fee resolution.

B. The city manager's determination of employee density pursuant to this section may be based on any of the following:

1. Data concerning anticipated employee density for the project submitted by the applicant;
2. Employment surveys or other research on similar uses submitted by the applicant or independently undertaken by the city manager; or
3. Any other data or information the city manager determines relevant.

C. Any application for a special fee determination under this section shall be accompanied by information sufficient to enable the city manager to make a determination of employee density under this section.

18.56.460 Option to construct dwelling units.

A. Requirement. Subject to the provisions of this section, in lieu of paying the housing trust fund fee, an applicant for a nonresidential development project may construct dwelling units. The required number of dwelling units shall be calculated by multiplying the gross square feet of nonresidential space within the nonresidential development project by the applicable housing factor, as follows:

Type of Use*	Housing Factor/Square Foot
Office	.000127
Hotel	.000042
Commercial	.000106
Manufacturing	.000042
Warehouse	.000021

Nonresidential development projects that do not fall within a specific type of use category will be evaluated on a case-by-case basis to determine the appropriate housing factor.

If this calculation produces a decimal number, the number shall be rounded up to the nearest whole number to yield the required number of dwelling units. The dwelling units may be of any value or tenure type. Dwelling units constructed in compliance with this option may not be used to satisfy the housing trust fund fee requirement for more than one nonresidential development project.

B. Application and fee. To proceed under this section, an applicant must do the following:

1. Submit to the city manager an application that includes the following:
 - a. Sufficient information, as determined by the city manager, to enable the city manager to conclude that the applicant, within its

financial means, will construct or cause to be constructed the required number of dwelling units within the timeframe set forth in this section; and

b. If an applicant intends to construct the dwelling units through a joint venture, partnership, or similar arrangement, the applicant must certify that it has paid to the joint venture, partnership, or under its similar arrangement, an amount equal to or greater than 60% of the housing trust fund fee it would otherwise pay to the city for the nonresidential development project. The applicant must certify that the joint venture, partnership, or similar arrangement will use these funds to construct the dwelling units.

2. Pay a fee equal to 40% of the housing trust fund fee otherwise due on the applicant's nonresidential development project. This fee may be paid in two installments of equal value as follows:

a. The first half of the fee must be paid at the time of submittal of the application to proceed under this section; and

b. The second half of the fee must be paid prior to the issuance of a building permit for the applicant's nonresidential development project.

C. City manager approval. The city manager may approve or deny the application to proceed under this section.

D. Timeline for construction of the dwelling units.

1. Commencement. Within one year of the issuance of the first building permit for the applicant's nonresidential development project, the applicant must provide written certification to the city manager that it has commenced construction of the dwelling units. No certificate of occupancy for the nonresidential development project shall be issued until the applicant complies with this subsection.

2. Completion. The applicant's dwelling units must pass the city's final inspection within two years of the issuance of the first building permit for the nonresidential development project.

3. Extensions. The deadlines to commence and complete construction of the dwelling units may each be extended by a maximum of two one-year periods if the city manager determines, based on information submitted by the applicant, all of the following:

- a. There is good cause for an extension or an additional extension;
- b. The failure to comply with the time limits in this subsection D is beyond the applicant's control; and
- c. The applicant has made a reasonable effort to comply with this subsection.

E. Location of dwelling units. Dwelling units constructed under this section shall be located on infill sites that either have adequate improvements and facilities or are located in a proposed or existing assessment district that will ensure the provision of adequate improvements and facilities.

F. Failure to construct dwelling units. If an applicant fails to construct dwelling units as required by this section, the applicant shall pay the housing trust fund fee for its nonresidential development project, together with interest accrued from the date of issuance of the first building permit for the project, less any amounts paid towards the fee under subsection B.1.b. of this section. Interest shall accrue at a rate equal to the city's annual earnings rate on Pool A funds for the previous fiscal year, per annum.

G. The city manager may issue guidelines for the administration of this section.

18.56.470 Conflict with other provisions.

If there is any conflict between a provision of this article and any other provision of this chapter, the provision of this article governs.

SECTION 2.

Chapter 17.708 of the Sacramento City Code is deleted. The delete of chapter 17.708 is not intended to and does not affect (1) the validity or status of any fees imposed, paid, or agreed to in writing under chapter 17.708 prior to the effective date of this ordinance, nor (2) any administrative, civil, or other action or proceeding brought or to be brought to enforce chapter 17.708, as it existed prior to the effective date of this ordinance. Chapter 17.708 shall continue to be operative and effective with regard to any fee imposed, paid, or agreed to under that chapter prior to the effective date of this ordinance.

SECTION 3.

This ordinance takes effect on January 1, 2017.

RESOLUTION NO. 2016 –

Adopted by the Sacramento City Council
Date Adopted

**ADOPTING THE HOUSING TRUST FUND NEXUS
ANALYSIS AND ESTABLISHING THE AMOUNT OF THE
HOUSING TRUST FUND FEE**

BACKGROUND

- A. Established in 1998, by ordinance 89-013, the City’s housing trust fund fee program imposes a fee (the “housing trust fund fee” or “fee”) on nonresidential development projects. The purpose of the fee is to offset the impacts of nonresidential development projects on affordable housing. Specifically, fee revenues are used to assist in the production of affordable housing, as described in article 6 of chapter 18.56 of the city code.
- B. As demonstrated by the Housing Trust Fund Nexus Analysis, attached as Exhibit B, there is a reasonable relationship between the need for affordable housing and the type of development projects on which the fee is imposed: nonresidential development projects. Nonresidential development projects—such as office, retail, and industrial developments—once operational, generate employment opportunities, including opportunities for lower income workers. These workers, in turn, generate demand for affordable housing.
- C. There is also a reasonable relationship between using fee revenues to produce affordable housing and nonresidential development projects. As explained above, nonresidential development projects increase demand for affordable housing. To address this increased demand, fee revenues are used to produce affordable housing.
- D. The Housing Trust Fund Nexus Analysis also establishes the basis for determining a reasonable relationship between the amount of the housing trust fund fee and the cost of affordable housing attributable to particular nonresidential development projects, taking into account various factors including the type of nonresidential development project (e.g. office, retail, industrial, etc.), an estimate of the total number of employees working in the building (once constructed), occupation and income information for various jobs within a particular building type, and considerations unique to Sacramento.
- E. The proposed housing trust fund fee for various nonresidential development project types is set forth in Exhibit A and has been determined and calculated in a manner consistent with the Mitigation Fee Act and the Housing Trust Fund Nexus Analysis.

- F. The City and SHRA are authorized to use a percentage of the fee revenue to pay for the costs of implementing and maintaining the housing trust fund fee program and ordinance as set forth in Exhibit A.
- G. On _____, 2016, the city council held a public hearing in the manner required by Government Code section 66016 to consider the adoption of this resolution. The public hearing was also noticed pursuant to and in compliance with Government Code sections 66018 and 6062a, and was held as part of a regularly scheduled meeting of the city council.

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

Section 1. Findings.

- A. The recitals set forth above are true and correct and are incorporated herein by reference as findings.
- B. The Housing Trust Fund Nexus Analysis does all of the following:
 - i. Identifies the purpose of the fee;
 - ii. Identifies the use to which the fee is to be put;
 - iii. Establishes a reasonable relationship between the fee's use and the type of development project on which the fee is imposed;
 - iv. Establishes a reasonable relationship between the need for affordable housing and the type of development project on which the fee is imposed;
 - v. Establishes the basis for determining a reasonable relationship between the amount of the fee and the cost of the affordable housing attributable to particular nonresidential development projects.
 - vi. Establishes that the imposition of the fee is necessary to protect public health, safety, and welfare within the city.
- C. The Housing Trust Fund Fee Schedule, attached as Exhibit A, has been determined and calculated in a manner consistent with the Mitigation Fee Act and the Housing Trust Fund Nexus Analysis.
- D. The housing trust fund fee is consistent with the City's general plan and housing element, and the city council has considered the effects of the fees with respect to the City's and region's housing needs.

Section 2. Adoption of the Housing Trust Fund Nexus Analysis.

The city council hereby approves and adopts the Housing Trust Fund Nexus Analysis, attached as Exhibit B. The Housing Trust Fund Nexus Analysis is the “fee report” referred to in article 4 of chapter 18.56 of the city code.

Section 3. Establishment of the housing trust fund fee amount.

The amount of the housing trust fund fee is set forth in Exhibit A.

The fee shall be adjusted automatically to take into consideration inflation on July 1 of each year (beginning July 1, 2017) by a factor equal to the percentage increase, if any, of the construction cost index for San Francisco (based on 1913 U.S. average = 100) during the 12 months ending on the preceding March 1, as published by Engineer News Record/McGraw-Hill Construction Weekly, or any substitute index that the city council adopts by resolution. The city manager’s designee shall be responsible for calculating the adjustment, if any, to the fees and shall advise the city clerk of the amended fees.

Section 4. Repeal of Resolution 89-180.

Resolution 89-180, related to fees for administering the housing trust fund, is hereby repealed.

Section 5. Effective date.

This resolution takes effect on January 1, 2017.

Section 6. Exhibits.

Exhibits A and B are part of this resolution.

Table of Contents

- Exhibit A – Housing Trust Fund Fee Schedule
- Exhibit B – Housing Trust Fund Nexus Analysis

EXHIBIT A

**Housing Trust Fund Fee Schedule
Article IV of Chapter 18.56**

Key:

- "X" denotes the applicable housing trust fund.
- "E" denotes a nonresidential development project that is exempt from the housing trust fund fee requirement, consistent with article 6 of chapter 18.56.
- "S" denotes a nonresidential development project that requires a special fee determination as described in section 18.56.650 of the city code.
- All dollar figures denote the applicable housing trust fund fee per square foot.

Nonresidential Development Project	Commercial/ Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/ Industrial \$1.57	Warehouse \$0.68	Other
Commercial and Institutional Uses						
Adult entertainment business	X					
Adult-related establishment	X					
Amusement center, indoor						\$1.25
Amusement center, outdoor						S
Assembly – Cultural, social						S
Assembly - Religious						E

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Athletic club; fitness studio (Gym/Hlth Studio- Util)	X					
Auto – sales, storage, rental						\$1.54
Auto service, repair						\$1.76
Bar; nightclub	X					
Bed and breakfast inn		X				
Cemetery						E
Check-cashing center	X					
Childcare center						E
Cinema						\$1.25
Cleaning plant, commercial (Laundrymat Industrial-Util)				X		
College campus						\$2.08
College extension	X					
Commercial service	X					
Community market						E

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Correctional facility						E
Drive-in theater (Aud/Theater-Util)						\$1.25
Equipment rental, sales yard	X					
Gas station	X					
Golf course; driving range						S
Gun range; rifle range						S
Hotel; motel		X				
Kennel			X			
Laundromat, self-service	X					
Library; archive						E
Major medical facility						\$3.90
Medical marijuana dispensary	X					

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Mini storage; locker building						E
Mobilehome, sales						\$1.12
Mobilehome, storage						E
Mortuary; crematory						E
Museum						\$1.25
Non-profit organization, food preparation for off-site consumption						S
Non-profit organization, food storage and distribution						S
Non-profit organization, meal service facility						S

Nonresidential Development Project	Commercial/ Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/ Industrial \$1.57	Warehouse \$0.68	Other
Non-residential care facility						S
Office			X			
Outdoor market						S
Parking lot; garage						E
Plant nursery	X					
Residential care facility						\$1.54
Restaurant	X					
Retail store	X					
School – dance, music, art, martial arts	X					
School, K-12						\$2.08
School, vocational	X					
Sports complex						S
Stand-alone parking facility						E
Superstore	X					
Theater						\$1.25

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Towing service; vehicle storage yard						\$1.54
Transit vehicle – service, repair, storage						S
Veterinary clinic; veterinary hospital			X			
Wholesale store					X	
Industrial & Agricultural Uses						
Agriculture, general use						S
Airport						S
Animal slaughter						S
Antenna; telecommunications facility						E
Auto dismantler						\$1.54
Boat dock, marina						S
Community garden						E
Community garden						E
Contractor storage yard						\$1.54

Nonresidential Development Project	Commercial/ Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/ Industrial \$1.57	Warehouse \$0.68	Other
Fuel storage yard						\$1.12
Hazardous waste facility				X		
Heliport; helistop						S
High voltage transmission facility						E
Junk yard						S
Laboratory, research						\$2.12
Livestock yard						S
Lumber yard, retail						\$1.54
Manufacturing, service, and repair				X		
Passenger terminal						S
Produce stand	X					
Produce stand (not exceeding 120 square feet)						E
Produce stand (exceeding 120 square feet)	X					
Public utility yard						E
Railroad ROW						E

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Railroad yard, shop						S
Recycling facility				X		
Riding stables						S
Solar energy system, commercial (city property)						E
Solar energy system, commercial (non-city property)						E
Solid waste landfill						S
Solid waste transfer station				X		
Surface mining operation						S
Terminal yard, trucking						\$1.12
Tractor or heavy truck sales, storage, rental						\$1.12
Tractor or heavy truck service, repair						\$1.54
Warehouse, distribution center					X	
Well – gas, oil				X		

Nonresidential Development Project	Commercial/ Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/ Industrial \$1.57	Warehouse \$0.68	Other
Accessory Uses						
Accessory antenna						E
Accessory drive-through facility						E
Childcare, in-home (family day care home)						E
Common area						E
Dwelling unit, secondary						E
Family care facility						E
Family day care facility						E
Home occupation						E
Personal auto storage						E
Recycling, convenience						E

Nonresidential Development Project	Commercial/Retail \$2.00	Hotel \$2.38	Office \$2.50	Manufacturing/Industrial \$1.57	Warehouse \$0.68	Other
Tasting Room, on-site	X					
Watchperson's quarters						E

Administrative Costs:

Three percent of the fee revenue may be utilized by City staff to pay for the following costs:

1. Assessing and interpreting the correct fee amount to be paid by nonresidential development.
2. Periodically updating the Housing Trust Fund Ordinance and related fee resolutions.
3. Annually indexing the fee.
4. Periodically updating the Nexus Study.
5. Updating the City's policy documents that relate to the Housing Trust Fund Ordinance.

Ten percent of the fee revenue may be utilized by SHRA staff to pay for the following costs:

1. Administration of the fee revenue for the production of affordable housing, including underwriting, financing and construction monitoring.
2. Development and maintenance of program guidelines for implementation of the Housing Trust Fund Ordinance.
3. Collaborate with the City staff when periodically updating the Housing Trust Fund Ordinance and related fee resolutions.
4. Participate in the periodical updates of the Nexus Study with the City staff.
5. Annual status reporting of the Housing Administration Programs to City staff when updating the City's Housing Element and other policy documents that relate to the Housing Trust Fund Ordinance.
6. Annual compliance monitoring of affordable housing developments for the duration of the affordability period.
7. Annual reporting of the activities undertaken with the Housing Trust Fund Ordinance.

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[Title 17 PLANNING AND DEVELOPMENT CODE](#)

[Division VII CITY-WIDE PROGRAMS](#)

Chapter 17.708 HOUSING TRUST FUND (HTF) PROGRAM

17.708.010 General provisions.

Unless otherwise expressed in this title, the provisions of this chapter are the exclusive procedures and rules relating to housing impact fees, and related affordable housing requirements for commercial and industrial development. In the event of conflict, these provisions shall prevail over any other provisions of this title. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.020 Low income housing fund.

- A. Establishment and definition. There is continued in existence the citywide low income housing fund ("housing fund") established by Ordinance 89-013 as amended by Ordinance No. 92-014. This housing fund may receive monies from other sources. The housing fund shall receive all monies contributed pursuant to sections [17.708.040](#) and [17.708.050](#) of this chapter. The North Natomas fund established by Ordinance 89-013 as amended by Ordinance No. 92-014, is terminated and the funds therein transferred to the low income housing fund for uses consistent with the provisions of this chapter.
- B. Purposes and limitations. Monies deposited in the housing fund shall be used to increase and improve the supply of housing affordable to households of low income, with priority given to very low income households. For purposes of this section, "low income households" are those households with incomes of 80% or below the median income in the county of Sacramento as set forth from time to time by the U.S. Department of Housing and Urban Development and "very low income households" are those households with incomes of 50% or below the same median income. Monies may also be used to cover reasonable administrative or related expenses not reimbursed through processing fees. No portion of the housing fund may be diverted to other purposes by way of loan or otherwise.
- C. Administration. The housing fund shall be administered by the director of the Sacramento housing and redevelopment agency (hereinafter "SHRA director") who shall have the authority to govern the fund consistent with this section, and to prescribe procedures for said purpose, subject to city council approval.
- D. Use and disbursement of monies in the fund. Monies in the housing fund shall be used in accordance with the adopted housing assistance plan program and financing strategy, housing element, comprehensive housing affordability strategy, or subsequent plan adopted by the city council to construct, rehabilitate, subsidize, or assist other governmental entities, private organizations or individuals in the construction of low income housing. Monies in the housing fund may be disbursed, hypothecated, collateralized, or otherwise employed for these purposes from time to time as the SHRA director so determines is appropriate to accomplish the purposes of the housing fund. These uses include, but are not limited to, assistance to housing development corporations, equity participation loans, grants, pre-home ownership co-investment, pre-development loan funds, participation leases, or other public/private partnership arrangements. The housing fund may be extended for the benefit of rental or owner-occupied housing.

E. Location of units to be assisted with fund monies. Subject to city council approval, the SHRA director shall develop criteria for the location of the units to be assisted with housing fund monies. The purpose of this criterion shall be to: (1) ensure a reasonable geographical linkage between nonresidential development projects subject to this title and the assisted low income housing such that future residents of the housing could reasonably commute to the commercial locations; (2) avoid over-concentration of assisted units and ensure conformity with a fair share plan if adopted by the city council; and (3) promote air quality goals, access to public transportation, and other relevant policies of the general plan. For purposes of criterion (1) of this subsection, any location which lies within seven miles of the nonresidential development project subject to this title shall be presumed to be within reasonable commuting distance. Locations within one-quarter mile of either existing or planned transit services shall be given preference within the seven-mile commuting distance. Locations further than the seven-mile distance may receive assistance from the housing fund provided that the SHRA director finds that access to existing or planned public transit render it reasonable that employees of the development project could commute from the location of the assisted housing.

In recognition of the establishment of the city and county housing trust funds, the SHRA director (and planning director, jointly) may elect to utilize a geographic zone system which provides that funds from projects within a specified zone shall be spent for housing assistance within the same zone. The boundaries of any such zones shall take into account the existing transportation network such that criterion (1) of this subsection is retained. The zone system shall be developed jointly with the county and shall designate specific geographic areas within the city limits and unincorporated areas of the county to allow for expenditure of funds from either city or county housing trust funds.

If due to regional growth, increased traffic congestion, or other factors, the SHRA administrator determines at any time in the ensuing year, sites which meet criterion (1) of this subsection will not be available, the SHRA director and the director of the planning and development department shall develop and present to the city council a proposal for ensuring a continued linkage between nonresidential development projects subject to this title and the location of assisted housing. Such a proposal may be presented in connection with the annual evaluation in subsection F of this section.

F. Annual evaluation. Commencing one year after the effective date of this section, and annually thereafter to coincide with the October 31st submittal deadline of the "Comprehensive Housing Affordability Strategy" (CHAS) to the U.S. Department of Housing and Urban Development, the SHRA director and planning director shall report to the city council, the city planning and design commission and the Sacramento housing and redevelopment commission on the status of activities undertaken with the housing fund. The report shall include a statement of income, expenses, disbursements, and other uses of the fund. The report shall also state the number of low income and total housing units constructed or assisted during that year and the amount of such assistance. The report shall evaluate the efficiency of this section in mitigating the city's shortage of low income housing available to employees of the projects subject to this section. In this report, the SHRA director and the planning director shall also recommend any changes to this title necessary to carry out its purposes, including any adjustments necessary to the fee or number of housing units required. This report shall contain the findings required by Government Code section 66001(d). (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.030 Application of the housing requirement.

A. Application. This section shall apply to nonresidential development projects that are proposing the construction, addition or interior remodeling of any nonresidential development project. This section shall apply to mixed or combined use projects if such projects propose the construction, addition or interior remodeling of such uses. Notwithstanding the foregoing, this section shall not apply to projects which fall within one or more of the following categories:

1. Projects which are the subject of development agreements currently in effect with the city, or of disposition agreements, owner participation agreements, or memoranda of understanding with the redevelopment agency of the city, approved prior to April 6, 1989, the effective date of the ordinance codified in this title, where such agreements or memoranda do not provide for compliance with this title; or
2. Residential uses (dwelling only) as set forth in Division II of this title; or
3. That portion of any development project located on property owned by the state of California, the United States of America or any of its agencies, with the exception of such property not used exclusively for state governmental or state educational purposes; provided, however, that this section shall apply at the time a development project no longer meets the requirements for exemption. Compliance with this section shall be the obligation of the owner of the land on which the project is located when the project no longer meets the exemption requirements. If the land is owned by the state of California or the United States of America, then the holder of the possessory interest shall comply with this section; or
4. Any development project which has received a vested right to proceed without housing fees pursuant to state law; or
5. Uses operated by nonprofit organizations which provide food storage, meal service, or temporary shelter to the homeless; or
6. Uses operated by nonprofit organizations which provide essential services (such as medical or emergency care) without cost to the recipient, and serve primarily lower income households whose housing needs are addressed by this title; or
7. All uses labeled "E" in the matrix contained in Appendix D, set out at the end of this chapter.

B. Definitions. For purposes of this chapter:

"Addition" means adding gross square feet to an existing nonresidential development project subject to this chapter.

"Construction" means a new nonresidential development project subject to this chapter.

"Gross square feet" means the area included within the surrounding walls of the nonresidential development project as determined by the planning director. This area does not include garages or carports.

"Housing units" means a new dwelling unit of any tenure type or price, including the rehabilitation of dangerous residential buildings as defined in chapter 8.96 of this code.

"Interior remodel" means a tenant improvement which results in a change in the type of use of a previously occupied nonresidential development project that increases the employee density of the project as determined by the planning director.

“Nonresidential development project” means any commercial or industrial use set forth in Division II of this title, and includes any other use that is determined by the planning director to impact housing demand.

“Planning director” means either the planning director or the director of planning and development as determined by the director of the planning and development department. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.040 Housing fee requirement.

A. Payment of fee as a condition of issuance of a building permit. Except as provided elsewhere in this chapter, no building permit shall be issued for any nonresidential development project subject to this chapter as set forth in section 17.708.030 of this chapter unless and until a housing fee is paid to the building inspector of the city who shall deposit such fee in the housing fund. The amount of the fee shall be computed using the fee schedule set forth in Appendix A to this chapter, except that with respect to building permits issued in the North Natomas community plan area, the fees shall be computed using the fee schedule set forth in Appendix C to this chapter. The fees shall be calculated as follows: gross square feet nonresidential space x (applicable fee by type of use as listed in Appendix A or C, as applicable) = housing payment. For purposes of this chapter, the fees for an interior remodel shall be the fees for the new use as defined in Appendix A or C, as applicable, less any fees that either were paid or would have been paid based on the original use of the building. If the nonresidential development project is in whole or part a replacement for space previously on the site, but demolished within one year prior to the filing of the application for the new construction or remodel, credit shall be given for the space demolished or to be demolished at the rate applicable to the prior use of that space.

B. Compliance through housing construction. As an alternative to payment of the fee set forth in this chapter, an applicant for a nonresidential development project subject to the housing requirements of this chapter may elect to comply with those requirements partially through the construction of housing as provided in section 17.708.050 of this chapter. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.050 Housing construction requirement.

A. Requirement. As an alternative to the fee requirement of section 17.708.040 of this chapter, an applicant for a permit for uses subject to the requirements of this chapter, may elect to perform both of the following prior to the issuance of a building permit for such activity: (1) pay a fee that is at least 20% of the fee required pursuant to section 17.708.040 of this chapter; and (2) demonstrate that it will construct or cause to be constructed any value or tenure type of housing as determined by the following formula: gross square feet nonresidential space x (applicable factor by type of use as listed in Appendix B or C to this chapter as applicable) = housing units. No building permit shall be issued by the building inspector for any nonresidential development project unless and until the planning director has certified that the requirements of this chapter have been met.

Housing units constructed in compliance with this option shall not be applied or transferred from one joint venture partnership as defined in subsection B of this section to another partnership.

Notwithstanding the requirements of this paragraph, the minimum fee shall become at least 40% of the fee required pursuant to section 17.708.040 of this chapter and listed in Appendix B, set out at the end of this chapter.

B. Approval of proposal by the planning director. An applicant who chooses to comply with the requirements of this chapter partially through the construction of housing shall submit to the planning director sufficient information to enable the planning director to determine that the applicant will construct or cause to be constructed the required number of housing units. The application shall demonstrate that the applicant possesses the financial means to commence and complete the construction of the housing within the required time period.

Where the applicant intends to construct housing units through participation in a joint venture, partnership, or similar arrangement, the applicant must certify to the planning director that the applicant has made a binding commitment, enforceable by the applicant's joint venturers or partners, to contribute an amount to the joint venture or partnership equivalent to or greater than the amount of the fee they would otherwise be required under section 17.708.040 of this chapter, less the portion of the housing requirement of this section actually met through the payment of fees, and that such joint venture or partnership shall use such funds to develop the housing subject to this section. No nonresidential building permit shall be approved until the applicant has paid in full or has posted an irrevocable letter of credit or other form of financial security acceptable to the planning director in the amount of the monetary contribution. Also, the city may require a lien on either the nonresidential or residential property to assure compliance with this chapter.

The planning director may issue guidelines for the administration of this requirement. If the planning director approves the proposal, he or she shall issue a certificate so indicating. This certificate shall be recorded and indicate that compliance with this chapter is an obligation of the owner of the nonresidential property.

C. Commencement of construction. Within one year of the issuance of the first building permit for a use subject to this chapter, the applicant shall provide written certification to the planning director that it has commenced construction of the housing units under this subsection. No certificate of occupancy for the nonresidential use shall be issued by the building inspector until the applicant complies with this subsection. This one year period may be extended by a maximum of two one-year periods based on evidence submitted by the applicant, if the planning director determines that: (1) there is good cause for an extension or an additional extension, (2) the failure to comply with the time limits of this subsection is beyond the owner's control, and (3) the owner has made a reasonable effort to comply with this subsection.

D. Completion of the housing requirement. The applicant shall obtain a final inspection from the building inspector for the housing required by this subsection within two years of the issuance of the first building permit for nonresidential use subject to this section. This time period may be extended by the planning director by a maximum of two one-year periods upon showing good cause as defined in subsection C of this section.

E. Fractional housing units. In the event the application of Appendix A, B or C of this chapter to an applicable project creates an obligation to construct a fractional housing unit, that fraction shall be converted into an addition to the housing fee, or in the alternative at the discretion of the planning director, an additional unit.

F. Location of housing units constructed.

1. Requirements. Housing units constructed under subsection A of this section shall be located on infill sites meeting the following criteria as defined in chapter 17.108.

a. Residentially zoned vacant lot that is either a designated infill site, located within a designated infill area or the site is located in an area designated in the community or general plans for infill development; or

b. Sites other than those located within a designated infill area may also qualify provided they meet all of the following criteria established in the infill ordinance:

i. The lot is surrounded on at least three sides by development consistent with the uses planned for the surrounding property, and

ii. That lots zoned R-1 and R-2 are under five acres in size and lots zoned R-1A through R-5 (except for R-2) are under two acres in size unless the planning and design commission determines that they may exceed the size standards through a conditional use permit approval, and

iii. The lot has existing public services or is located in a proposed or existing assessment district that will ensure the provision of required services.

2. Requirements within the central city area. At the discretion of the planning director and the SHRA director, housing units constructed under this build option may be located on nonresidential sites within the central city suitable for residential or residential/mixed use. The planning director and the SHRA director may permit a nonresidential applicant to dedicate air rights or land to the city in lieu of payment of the fee or construction of housing units provided that: (a) the fair market value of such land or air rights shall be equal to or greater than the amount of fee otherwise required; and (b) the site is of sufficient size to build the number of units otherwise required under the build option.

G. Failure to cause housing construction. In the event certification of housing construction is not provided as required by this section, the planning director will determine an amount equal to 150% of the fee which would have been due and owing under section 17.708.040 of this chapter to be paid to the city together with interest accrued from the date of the first building permit issuance for the nonresidential use and shall so notify the applicant.

If the applicant fails to demonstrate good cause for the nonpayment, said amount shall be assessed against the applicant. If this amount is not paid by the applicant within 60 days of the expiration of the applicable time period, the city shall record a special assessment lien against the nonresidential subject to this section in the amount of any fee and interest owed, or in the alternative the certificate of occupancy shall be revoked for the nonresidential use.

After appropriate notice, the city council shall hold a special assessment hearing. If the assessment is confirmed, the delinquent fee shall constitute a special assessment against the parcel or parcels used in the development project subject to this section. Each such assessment shall be subordinate to all existing special assessment liens previously imposed upon such parcel and paramount to all other liens except for those state, county, and municipal taxes with which it shall be upon parity. The lien shall continue until the assessment and all interest due and payable thereon are paid to the city. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.060 Variances.

A. Variances. A variance from the provisions of this section may be granted to an applicant by the planning and design commission. The applicant must file an application for a

variance within 10 days of the planning director's determination pursuant to section 17.708.040 or 17.708.050 of this chapter.

B. Application. The application for a variance shall include financial and other information that the planning director determines is necessary for staff to perform an independent evaluation of the applicant's rationale for the variance and shall be a matter of public record.

C. Standards. No variance shall be issued to an applicant unless:

1. Special circumstances, unique to that project and not generally applicable to other projects so that the same variance would be appropriate for any applicant facing similar circumstances, justify the grant of the variance; and
2. The project would not be objectively feasible without the modification; and
3. A specific and substantial financial hardship would occur if the variance were not granted; and
4. No alternative means of compliance are available which would be more effective in attaining the purposes of this chapter than the relief requested.

D. Low density employment uses requiring specialized structures. A variance may be granted in the case of development projects which consist of construction built for and suitable solely for a specific use involving few or no employees. The planning director may designate a list of uses which presumptively may qualify for a variance under this chapter. In the case of a variance granted pursuant to this chapter for a use which involves some employees, the variance may specify a reduced fee applicable to the project. Any variance granted under this chapter shall expire upon the conversion of the building to another use or upon the remodeling of the building to permit additional employees.

E. Findings. In approving a variance, the planning and design commission shall make findings pursuant to each of the applicable standards defined in subsection C or D of this section. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.070 Administration.

A. Application procedures for conditional use permits subject to this chapter. Compliance with this chapter will be made a condition of approval of each conditional use permit approved for a nonresidential development project subject to this chapter. The application procedures defined in subsection B of this section shall apply to all conditional use permits applications.

B. Application procedures for building permits subject to this chapter. Applications for building permits for any project subject to the provisions of this chapter shall not be deemed complete unless the application contains: (1) a statement of the number of gross square feet in a nonresidential development project to be constructed, added or remodeled that are subject to the requirements of this section, together with documentation sufficient to support the application; (2) the intended use or uses for the nonresidential development project by gross square feet; (3) a statement of an election by the applicant as to its choice of compliance with requirements of this section through payment of the fee (section 17.708.040), or construction of housing (section 17.708.050).

If compliance is purely through the payment of the fee, a copy of the building permit application shall be transmitted to the planning director by the building inspector. If the compliance is through a combination of payment of fee and construction of housing, the building inspector

shall transmit a copy of the building permit application to the director and the applicant shall furnish the information required in this section to the planning director.

C. **Determination of fee.** The planning director shall determine the amount of fee and/or number of housing units required to be constructed, and shall so inform the building inspector who shall collect the required fee and transmit it to the appropriate fund. Except as provided in subsection D of this section, the planning director shall use the matrix in Appendix D of this chapter to relate the anticipated use of the nonresidential development project to a type of use in Appendix A of this chapter and a resulting fee per square foot, or to identify the use as exempt or requiring a special fee.

D. **Special fee determinations.** The planning director shall determine the housing trust fund fee based on a case-by-case calculation of employee density in the following situations:

1. In the case of uses listed as "S" in Appendix D of this chapter.

2. In the case of a use which does not fall into one of the uses listed in Appendix D of this chapter and the planning director determines that: (a) the building size is an inappropriate indicator of employee density over the life of the building; or (b) insufficient generalized information is available to permit a determination that the use falls within one of the use categories listed in Appendix D of this chapter; or (c) in the case of large, mixed-use development projects involving the simultaneous construction of different structures and/or different uses, the planning director may utilize the categories in Appendix D of this chapter and the types of uses in Appendix A of this chapter to create a mixed fee to be collected for all building permits in the project.

3. The planning director's determination of employee density pursuant to this subsection D shall be based on: (a) data concerning anticipated employee density for the project submitted by the applicant; (b) employment surveys or other research on similar uses submitted by the applicant or independently researched by the planning director; or (c) any other data or information the planning director determines relevant. The applicant may appeal the planning director's determination according to the provisions of section 17.708.060(A) of this chapter. Any application for a building permit for any project where a special fee determination is requested shall be accompanied by information sufficient to enable the planning director to make a determination of employee density pursuant to this subsection.

E. **Blended fees for projects with no dominant use.** The planning director shall make a determination of a blended fee representing the proportion of the different types of uses listed in Appendix A of this chapter in the following case only:

1. Projects in the M-1 district requiring a conditional use permit due to more than 25% of the total gross square feet dedicated to office use.

F. **Revisions to Appendix A, B, C and D.**

1. **Automatic annual adjustment.** The fees set forth in Appendix A, B, C and D of this chapter shall be adjusted automatically to take into consideration inflation on July 1st of each fiscal year, beginning on July 1, 2005, by a factor equal to the percentage increase, if any, of the construction cost index for San Francisco (based on 1913 U.S. average = 100) during the 12 months ending on the preceding March 1st of the prior fiscal year, as published by Engineer News Record/McGraw-Hill Construction Weekly, or any substitute index that the city council adopts by resolution. The planning director shall be responsible for determining the adjustment, of any, to the fees and shall advise the city clerk of the

amended fees. The amount of the automatic annual adjustment shall be reported to the city council at the time of the annual evaluation required pursuant to section 17.708.020.

2. Adjustment of fee by resolution. In addition to the automatic annual adjustment, the amount of the fees established by this chapter may be revised periodically by resolution of the city council. Any action by the city council to increase fees shall comply with the provisions of this chapter and Government Code sections 66016 through 66018. The effective date of any resolution adopted by the council that amends the amount of the housing fees established by this chapter shall be established pursuant to section 68017 of the Government Code.

3. Upon amendment of the housing fee, either pursuant to the automatic adjustment or council resolution, the city clerk shall amend Appendix A, B, C and D to reflect the amended amounts. Delays or failure to amend the appendices shall not affect the amount of the amended fee due and owed pursuant to this chapter.

G. Infill area designations. The planning director shall make a determination of infill areas for purposes of this section on an annual basis.

H. Processing fees. The planning and development department shall collect a processing fee to administer the housing trust fund chapter. This fee or fees will be established by city council resolution. (Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

17.708.080 Appendices.

Appendix A

HOUSING FEE REQUIREMENT CITYWIDE

Type of Use	Fee/Building Square Feet
Office	\$ 1.84
Hotel	\$ 1.74
Research and development	\$ 1.56
Commercial	\$ 1.47
Manufacturing	\$ 1.15
Warehouse/office*	\$ 0.67
Warehouse	\$ 0.50

* Warehouse buildings with a minor portion (25% maximum) of the space improved for incidental office use.

Appendix B

HOUSING FEE AND CONSTRUCTION ALTERNATIVE CITYWIDE

Type of Use*	20% Fee/Building Sq. Ft.	Housing Unit Factor/ Sq. Ft.
Office	\$ 0.37	.000127
Hotel	\$ 0.35	.000042
Research and development	\$ 0.31	.000091

Type of Use*	20% Fee/Building Sq. Ft.	Housing Unit Factor/ Sq. Ft.
Commercial	\$ 0.29	.000106
Manufacturing	\$ 0.23	.000042
Warehouse/office	\$ 0.13	.000021
Warehouse	\$ 0.10	.000021

* Nonresidential development projects that do not fall within a specific type of use category will be evaluated on a project-by-project basis to determine an appropriate fee and housing unit factor.

Appendix C

HOUSING FEE AND CONSTRUCTION REQUIREMENT NORTH NATOMAS ONLY

Housing Unit Type of Use*	Fee/Building Sq. Ft.	Factor/Sq. Ft.
Highway commercial	\$ 2.01	.000296
Community/neighborhood commercial	\$ 1.51	.000222
Office/business	\$ 1.51	.000222
M-50	\$ 1.28	.000191
M-20	\$ 1.06	.000157
Light industrial	\$ 0.82	.000121

* Each nonresidential development project will be subject to a fee which is based on the applicable North Natomas community plan land use category.

Appendix D

NONRESIDENTIAL LAND USE MATRIX WITH SPECIAL CATEGORICAL FEE DETERMINATIONS AND EXEMPTIONS

Nonresidential Use	Off. \$1.84	Hotel \$1.74	R/D \$1.56	Comm. \$1.47	Mfg. \$1.15	Wrh. \$0.50	Other Fee
Agricultural uses							\$
Amusement centers—Indoor only							\$0.92
Auto sales, service, rental storage							\$1.12
							\$1.29
Bakery or bakery goods store				X			
Bank—Savings and loan	X						
Barber, beauty shop				X			
Business college trade school				X			
Cabinet shop					X		

Nonresidential Use	Off. \$1.84	Hotel \$1.74	R/D \$1.56	Comm. \$1.47	Mfg. \$1.15	Wrh. \$0.50	Other Fee
Cleaning plant commercial					X		
Cleaning, laundry agency				X			
Convenience market				X			
Dance, music, voice studio				X			
Drive-in restaurant food stand				X			
Equipment rental and sales yard				X			
Florist				X			
Food store delicatessen				X			
Furniture refinishing					X		
Furniture store				X			
Hotel		X					
Laboratory—Medical, dental, optical	X						
Laundry, commercial plant				X			
Laundromat—Self service center				X			
Mortuary/crematorium							E
Motel		X					
Nursery for flowers and plants				X			
Offices	X						
Medical clinic or office	X						
Nonresidential care facility							S
Parking lot, garage or facility							E
Photographic studio				X			
Prescription pharmacy optician				X			
Printing and blueprinting				X			
Recycling center					X		
Reducing salon—Masseur, racquetball, judo school							\$0.92
Restaurant—Bar				X			
Retail stores and services				X			
Gas station							\$1.43
Shop for building contractor							\$1.12

Nonresidential Use	Off. \$1.84	Hotel \$1.74	R/D \$1.56	Comm. \$1.47	Mfg. \$1.15	Wrh. \$0.50	Other Fee
Sign shop				X			
Tire shop, including recapping				X			
Trailer sales yard							\$0.83
Used car lot							\$1.29
Wholesale stores and distributors						X	
Commercial recreational vehicle storage							E
Christmas tree sales lots							E
Adult entertainment establishment or activity				X			
Astrology and related practices				X			
Adult related establishment				X			
Bus and other transit terminals, depots and passenger stations, public and private							S
Mini storage/individual storage/locker buildings							E
Bus and other transit vehicle maintenance and storage							S
Halloween haunted house							E
Bed and breakfast inn		X					
Towing service and vehicle storage yard							\$1.12
Alcoholic beverage sales for off-premises consumption							E
Bar				X			
Appliance repair shop				X			
Delivery service							S
Janitorial service company							S
Pest control company							S
Sports complex							S
Child care center							E
Reverse vending machine							E
Mobile recycling units							E
Small recyclable material collection facility							E
Temporary parking lot							E

Nonresidential Use	Off. \$1.84	Hotel \$1.74	R/D \$1.56	Comm. \$1.47	Mfg. \$1.15	Wrh. \$0.50	Other Fee
Drive-up service facility							S
Nonprofit organization—Food storage and distribution							S
Nonprofit organization—Food preparation for off-site consumption							S
Nonprofit organization—Meal service facility							S
Industrial Use							
Beverage bottling plant					X		
Billboard manufacture					X		
Boat building (small)					X		
Concrete batch plant					X		
Cement or clay products manufacturing					X		
Contractor's storage yard							\$1.12
Dairy products processing					X		
Food processing plant					X		
Fuel yard							\$0.83
Ice manufacture—Cold storage plant						X	
Junk yard							S
Lumber yard—Retail							\$1.12
Machine shop					X		
Monument works, stone					X		
Petroleum storage					X		
Planing mill					X		
Public utility yard							E
Recycling plant					X		
Railroad yard or shops							S
Terminal yard, trucking							\$0.83
Truck and tractor repair							\$1.12
Warehouse wholesaling						X	
Assembly or electrical and electronic equipment			X				

Nonresidential Use	Off. \$1.84	Hotel \$1.74	R/D \$1.56	Comm. \$1.47	Mfg. \$1.15	Wrh. \$0.50	Other Fee
Assembly of plastic and rubber items			X				
Garment shop					X		
Laboratory research and experimental			X				
Manufacturing, assembly and treatment of merchandise			X				
Plating with storage					X		
Metal fabrication					X		
Other Nonresidential Use (Conditional Use Permit Use)							
Major medical care facility							\$2.86
Animal hospital or dog kennel	X						
Animal or poultry slaughter							S
Amusement enterprise—Outdoor							S
Drive-in theater							S
Golf course							S
Hog ranch							S
Livestock feed and sales yard							S
Private club—Social center							S
School—Private, nonprofit							\$1.52
Church							E
Marinas							S
Other Use							
Flea market							S
Residential care facility							\$1.12

X - Project is subject to fee for nonresidential use category.

S - Fee amount determined by planning director on a project-by-project basis.

E - Nonresidential project is exempt from this chapter.

(Ord. 2013-0020 § 1; Ord. 2013-0007 § 1)

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