

NOTICE OF REGULAR MEETING

Sacramento Housing and Redevelopment Commission Wednesday, June 5, 2019 – 6:00 pm 801 12th Street 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.

APPROVAL OF MINUTES - May 1, 2019 and May 15, 2019

<u>DISCUSSION/BUSINESS ITEMS</u>

- 1. Twin Rivers Transit Oriented Development and Light Rail Station Project Update Report, Application for Multifamily Housing Program Loan for Blocks A and B, and Commitment of Choice Neighborhoods Funds to Twin Rivers Block B City report
- 2. Twin Rivers Transit Oriented Development And Light Rail Station Project: Choice Neighborhoods Implementation Grant Update Report; Commitment Of Funds For Block B Housing Development County report
- 3. Approval of Funding, Administrative Services Agreement and Related Actions for the Capitol Park Hotel Temporary Shelter Project
- 4. Authorization to Submit a Section 18 Demolition and Disposition Application to the United States Department of Housing and Urban Development (HUD) for City Scattered Site Public Housing Units County report
- 5. Authorization to Submit a Section 18 Demolition and Disposition Application to the United States Department of Housing and Urban Development (HUD) for City Scattered Site Public Housing Units City report

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

<u>REPORTS:</u> 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. <u>AMERICANS WITH DISABILITIES ACT:</u> 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.



MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Meeting of May 1, 2019

Meeting noticed on April 12, 2019

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:05 p.m. by Chair Morgan.

MEMBERS PRESENT:

Griffin, Morgan, Nunley, Staajabu, Starks

MEMBERS ABSENT:

Alcalay, Macedo, Wedding (three vacancies)

STAFF PRESENT:

La Shelle Dozier, Asa Standfeldt, James Shields, Angela Jones, Vickie Smith, Sarah O'Daniel, Lira Goff, Tanya Tran, Mark Hamilton, MaryLiz Paulson, Cecette Hawkins, Christine Weichert, Celia Yniguez, Angela Jones, Latanna Jones,

Tyrone Williams, Maria Aydalas

APPROVAL OF AGENDA - Agenda approved as submitted. Items 4 and 5 and items 7 and 8 would be presented and approved together.

CITIZENS COMMENTS

Jefferey Tardaguilla provided comment.

Robert Coughlin provided comments regarding the Conventional Housing Comstock Building.

APPROVAL OF MINUTES - April 17, 2019 minutes were approved as submitted. Commissioner Nunley suggested that more detail be added in the Citizen Comment section related to requests or issues conveyed by speakers.

CONSENT ITEMS

- 1. Review and Approval of Proposed Media Relations Policy
- 2. Authorization to Submit State Emergency Solutions Grant Program 2019 Application to the California Department of Housing and Community Development and Amend the Sacramento Housing and Redevelopment Agency Budget

Commissioner Griffin motioned to approve the items listed above. Commissioner Nunley seconded the motion. The votes were as follows:

AYES:

Griffin, Morgan, Nunley, Staajabu, Starks

NOES:

None

ABSENT:

Alcalay, Macedo, Wedding (three vacancies)

ABSTAIN:

None

PUBLIC HEARING

3. <u>2019 Mid-Year Revision for the Housing Authority of the City and County of Sacramento to the Public Housing Agency Annual Plan, Admissions and Continued Occupancy Policy, and Administrative Plan</u>

Chair Morgan opened the public hearing.

MaryLiz Paulson presented the item.

Chair Morgan solicited public comment and closed the public hearing.

Commissioner Griffin motioned to approve the items listed above. Commissioner Morgan seconded the motion. The votes were as follows:

AYES:

Griffin, Morgan, Nunley, Staajabu, Starks

NOES:

None

ABSENT:

Alcalay, Macedo, Wedding (three vacancies)

ABSTAIN:

None

DISCUSSION/BUSINESS ITEMS

- 4. Approval of One-Year Action Plan Allocation Process City Report
- 5. Approval of One-Year Action Plan Allocation Process County Report

Celia Yniguez presented the item.

Commissioner Griffin motioned to approve the items listed above. Commissioner Nunley seconded the motion. The votes were as follows:

AYES:

Griffin, Morgan, Nunley, Staajabu, Starks

NOES:

None

ABSENT:

Alcalay, Macedo, Wedding (three vacancies)

ABSTAIN:

None

6. <u>Approval of Loan Agreements for the Capitol Park Hotel Temporary Shelter Project</u>

Christine Weichert presented the item.

Commissioner Griffin motioned to approve the items listed above. Commissioner Staajabu seconded the motion. The votes were as follows:

AYES:

Griffin, Morgan, Staajabu, Starks

NOES:

None

ABSENT:

Alcalay, Macedo, Wedding (three vacancies)

ABSTAIN:

Nunley

INFORMATIONAL ITEMS

7. Riverview Plaza Repositioning - City Report

8. <u>Riverview Plaza Repositioning - County Report</u>

Mark Hamilton presented the item.

Jefferey Tardaguilla provided comment.

EXECUTIVE DIRECTOR'S REPORT

La Shelle Dozier reviewed the following:

- Next meeting is on May 15, 2019
- Thanked Christine Weichert and her staff for their work on Capitol Park.
- Tyrone Williams announced that the Promise Zone received a \$750,000 allocation from SMUD.

COMMISSION CHAIR REPORT

Chair Morgan thanked staff for their help with questions on reports. He also encouraged Commissioners to participate more regularly at meetings.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Morgan thanked staff for their work on the Capitol Park Hotel project and on the Promise Zone. He also encouraged Commissioners to participate in the 46th and Lang RFP selection.

<u>ADJOURNMENT</u>

Cor	nmiss	ioner	Starks	requested	to	adjourn	the	meeting	in	memory	of of	Marion	J.	Wood	ls.
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As there was no further business to be conducted, Chair Morgan adjourned the meeting in memory of Marion J. Woods at 7:05 pm.

Clerk



MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Meeting of May 15, 2019

Meeting noticed on May 10, 2019

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:01 p.m. by Chair Morgan.

MEMBERS PRESENT:

Griffin, Morgan, Nunley, Staajabu

MEMBERS ABSENT:

Alcalay, Macedo, Starks, Wedding (three vacancies)

STAFF PRESENT:

La Shelle Dozier, David Levin, James Shields, Angela Jones, Sarah O'Daniel, Lira Goff, Suzie Jackson, Latanna Jones, Angela Jones, Victoria Johnson, Julius Austin,

Tyrone Williams, Glenn Stubbs

<u>APPROVAL OF AGENDA</u> – Agenda was not approved as there was no quorum. Items 3 and 4 were presented together.

CITIZENS COMMENTS

None.

APPROVAL OF MINUTES - Minutes were not approved as there was no quorum.

BUSINESS ITEMS

- 1. Twin Rivers Transit Oriented Development and Light Rail Station Project

 Update Report, Application for Multifamily Housing Program Loan for Blocks A

 and B, and Commitment of Choice Neighborhoods Funds to Twin Rivers Block B

 City report
- 2. <u>Twin Rivers Transit Oriented Development and Light Rail Station Project: Choice Neighborhoods Implementation Grant Update Report; Commitment Of Funds For Block B Housing Development County report</u>

Both items were postponed due to lack of quorum.

INFORMATIONAL ITEMS

3. 2018 Sacramento Promise Zone and P3 Program Update - City Report

- 4. <u>2018 Sacramento Promise Zone and P3 Program Update County Report</u>
 Julius Austin presented the items.
- 5. <u>Twin Rivers Website Overview</u>

Angela Jones presented the item.

EXECUTIVE DIRECTOR'S REPORT

La Shelle Dozier reviewed the following:

- Next meeting is on June 5, 2019
- Promise Zone Convening Reentry Meeting
- HUD DC Visit
- County Board of Supervisors Reporting Relationship Item

COMMISSION CHAIR REPORT

Chair Morgan commented on Commissioner Nunley's request for a brief report back to the Commission after public inquiries. Commissioner Nunley announced that there is a meeting for the organization Sistahs Ageing with Grace and Elegance she will speak about SHRA's good work at the meeting.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None.

ADJOURNMENT

As there was no further	business to be c	onducted. Ch	air Morgan	adiourned th	e meetind
at 6:47 pm.		, <u></u>	ian morgan	aajoannea an	

Clerk





Sacramento Housing and Redevelopment Commission Sacramento, CA

Honorable Members in Session:

SUBJECT:

Twin Rivers Transit Oriented Development And Light Rail Station Project: Choice Neighborhoods Implementation Grant Update Report; Commitment Of Funds For Block B Housing Development.

SUMMARY

The attached report is submitted to you for review prior to final review by the City of Sacramento.

Respectfully submitted,

Executive Director

Attachment



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

Business May 28, 2019

Honorable Mayor and Members of the City Council

Title: Twin Rivers Transit Oriented Development and Light Rail Station – Project Update Report, Application for Multifamily Housing Program Loan for Blocks A and B, and Commitment of Choice Neighborhoods Funds to Twin Rivers Block B

Location/Council District: 321 Eliza Street, Council District 3

Recommendation: Pass: 1) a City Council Resolution as Choice Neighborhoods Implementation Grant (CNI) co-grantee authorizing McCormack Baron Salazar, as designated developer and Housing Lead for the Twin Rivers Transit Oriented Development and Light Rail Station project (Project), to apply to the California Department of Housing and Community Development (HCD) for (a) a Multifamily Housing Program (MHP) loan of up to \$8,500,000 for Block A of the Project and (b) a MHP loan of up to \$7,500,000 for Block B of the Project; 2) a City Council Resolution as CNI co-grantee authorizing a loan commitment of up to \$5,500,000 of CNI funds for Block B of the Project

Contact: Tyrone Roderick Williams, Director of Development, 916-440-1316; Victoria Johnson, Program Manager, 916-440-1388, Sacramento Housing and Redevelopment Agency

Presenter: Victoria Johnson, Program Manager, 916-440-1388, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: In 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento (City) were, as co-grantees, awarded a \$30 million Choice Neighborhoods Implementation (CNI) Grant from the US Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station Project. The CNI grant supports the redevelopment of the Twin Rivers public housing project and the transformation of the River District/Railyards neighborhood. The grant requires replacement of 218 Twin Rivers public housing units within a mixed-income development which will include at least 487 new housing units, common area and community gathering spaces, and other amenities. A new Light Rail station will be constructed along 12th Street as part of the Project. The total project area

includes six residential blocks and encompasses approximately 26 acres. A Conceptual Site Plan map and vicinity map of the Project are shown in Attachment 2 and Attachment 3. This report requests approval to apply to the California Department of Housing and Community Development (HCD) for MHP loan funds specifically for Blocks A and B of the Project, and to commit CNI funds to Block B for housing development.

Project Schedule: The CNI Grant Agreement with HUD was finalized and executed in December 2015. The seven-year grant period ends in 2022. In December 2017, a Master Development Agreement was finalized and executed with McCormack Baron Salazar (MBS). MBS serves as both the developer and housing lead for the CNI grant. Project milestones that have been achieved since grant inception include:

- October 2016 Acquired 'Triangle site' along 12th Street for new Light Rail station and Block F mixed-use development
- July 2017 Tentative Map approved; Blocks A & B site plan approved
- August 2017 Mitigated Negative Declaration (CEQA) adopted by governing bodies
- September 2017 Began relocation of Twin Rivers residents
- July 2018 Began demolition of Twin River units
- November 2018 HUD approved a \$16.4 million loan through Section 108 program to construct Twin Rivers new infrastructure
- December 2018 Awarded \$23 million Transformative Climate Communities (TCC) Implementation Grant to construct light rail station, add solar photovoltaic, tree canopy and community garden; includes \$1million for Block A residential building
- February 2019 100% of Twin Rivers residents successfully relocated
- March 2019 HUD approved a revised Housing Plan to: include all replacement housing units in Blocks A – E, extend building construction start date to 2020, and revise income restrictions to conform to tax reform legislation
- April 2019 Building permits for Blocks A and B approved and ready to issue
- (Scheduled) May 2019 Complete demolition of Twin Rivers units; begin site demolition
- (Scheduled) Fall 2019 Begin construction of new infrastructure system

The HUD approved schedule is to commence construction of the first two blocks of housing in 2020, the remaining blocks in 2021, and to complete the residential project in 2022. The TCC Grant Agreement with the State Strategic Growth Council will be executed in 2019 and the light rail station is scheduled to be completed in 2023. The other TCC projects (solar, trees and garden) will be installed together with the residential project. The TCC project area is shown as Attachment 4.

<u>Project Financing</u>: The CNI grant funds provide approximately 10 percent of the total amount needed to develop the Project. The TCC grant will provide the majority of funds required to develop the light rail station. The City and the Housing Authority have previously committed Community Development Block Grant (CDBG), Housing Trust Fund and Housing Successor funds to support the project. As housing lead, MBS is responsible for securing the remaining funding necessary to develop the affordable housing units. To date, MBS has submitted four applications for state funding including

three in 2017 and 2018 that were unsuccessful (TCC, Affordable Housing and Sustainable Communities [AHSC] and National Housing Trust Fund) and a second TCC application in late 2018 that was successful. A second application for AHSC was submitted in February 2019 on behalf of Block B and Block E (combined), and the awards will be announced in June of 2019. The AHSC application includes a request for \$13 million to be used for housing development and \$7 million for area-wide transportation improvements and amenities.

All of the applicable state funding programs are over-subscribed and competitive. In order to ensure that CNI Project deadlines are met, MBS will continue to submit funding applications in 2019 and 2020 until all phases of the Project are fully funded. After the necessary gap funds are secured, applications for tax-exempt bonds and non-competitive tax credits will be submitted. In 2020, MBS will also apply for competitive tax-credits on behalf of those blocks that can meet the competitive criteria.

The CNI grant funds have been allocated as shown below:

CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT						
Category	Funding Allocation					
Administration and Fees and Costs	1,769,368					
Demolition	1,308,000					
Relocation	654,000					
Supportive Services	4,468,632					
Community Improvements	3,262,000					
Infrastructure	500,000					
Housing Units	18,038,000					
TOTAL	\$30,000,000					

<u>Critical Community Improvements:</u> Staff is actively engaged and working to support the Critical Community Improvement (CCI) component of the CNI grant. Eight projects have received preliminary HUD approval as follows:

- North 12th Street Community Engagement Art Project
- Salvation Army Center for Hope Improvements
- North 12th and 16th Streets Placemaking Gateway Element
- Robert T. Matsui Waterfront Park Improvements
- Basketball Court Park
- Wayfinding Signage along pedestrian and bike paths
- Interpretive Signage along American River
- North A St. frontage improvements

The Community Engagement Art Project and Salvation Army Center for Hope will be the first two projects to be undertaken and they will be completed in 2019.

Twin Rivers Resident Services: Relocation assistance and supportive resident services for all former Twin Rivers residents are required as a condition of CNI grant funding. About 60 percent of the Twin Rivers households opted to be relocated to other properties owned by SHRA, and 40 percent opted to participate in the Housing Choice Voucher (HCV) Program to rent a unit in the private market. When the replacement housing is constructed, all eligible residents will have the option to return to Twin Rivers. The resident services are provided for the duration of the grant period and for one additional year. These services are being provided by Urban Strategies, Inc. (USI). Approximately 75 percent of Twin Rivers households meet regularly with a case manager. Through various community partnerships, USI also provides educational and job training, job opening referrals, access to programs for children and youth, and health and wellness support. Resident meetings are held regularly in locations throughout the county to allow Twin Rivers residents to remain engaged and informed about the redevelopment project.

Current Request: This report requests City Council approval to apply to the California Department of Housing and Community Development (HCD) for MHP loan funds on behalf of Blocks A and B of the Project. The Notice of Funding Availability for MHP has not yet been published as of the preparation of this report, but is scheduled to be issued in late April 2019. Applications will be due in late June 2019 and the awards will be announced in September 2019. The loan request will be up to \$8,500,000 for Block A and up to \$7,500,000 for Block B. For Block B, the MHP application is a funding 'back-up plan' in case the pending AHSC application is not successful. The MHP application for Block A may include some units that will be set aside for special needs households, in order to meet community need and to make the application more competitive. If awarded, the MHP funds will provide the remaining gap funds needed, and construction will begin in the 1st quarter of 2020.

The City and HACOS have previously approved the commitment of \$7,000,000 of CNI funds for Block A housing development. This report also requests the approval to use up to \$5,500,000 of CNI funds to support Block B housing development. Following approvals from the City and HACOS, the Agency will issue a commitment letter to be used as evidence of funding commitments required for the MHP application. Block B will include 66 total housing units restricted to income levels between 30 percent and 80% percent of area median income. The community center and management office for the Project will be located in Block A. Block B will include additional amenities such as a play area, picnic area and electric car share. Block B will be adjacent to the new one-acre community park. A Block B project summary is included as Attachment 5.

Policy Considerations: The recommended actions are consistent with a) the Agency's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, priority 1. Preservation (Resolution No. 2009-148); b) the 2013-2021 Housing Element, which encourages the provision of a variety of quality housing types to encourage neighborhood stability, including options for extremely low-income households (Resolution No. 2013-415); c) the Sacramento Promise Zone Plans and Goals, Sustainably Built Community sub-goal to increase housing types and transit growth to promote livability and connectivity within the Promise Zone (Resolution No. 2015-263); d) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by year 2025 (Resolution No.

2015-282); e) the 2007 Asset Repositioning Strategy of the City and County Housing Authorities; f) the 2013-2019 Consolidated Plan; and g) the River District Specific Plan adopted February 15, 2011.

Economic Impacts: The construction of new multifamily housing in Twin Rivers Blocks A and B is expected to create approximately 570 total jobs (approximately 320 direct jobs and 250 indirect jobs) and create \$79,016,950 in total economic output (\$48,200,339 of direct output and another \$30,816,610 of economic output through indirect activities). The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations: The California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA): A combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Twin Rivers Transit-Oriented Development and Light Rail Station Project pursuant to CEQA requirements under 14 California Code of Regulations (CCR) §15070, and NEPA requirements under 24 Code of Federal Regulations (CFR) §58.36. Along with site entitlements, the Planning and Design Commission for the City of Sacramento made findings pursuant to CEQA and adopted the Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) on July 27, 2017, and subsequently issued a Notice of Determination (NOD) pursuant to CEQA and a Finding of No Significant Impact (FONSI) pursuant to NEPA. On August 22, 2017, the County Board of Supervisors adopted the MND and associated MMRP and approved the Project. On August 24, 2017, SHRA issued the NOD for the Project pursuant to CEQA. All activities for the Twin Rivers Transit-Oriented Development and Light Rail Station Project are covered by this environmental review. No further environmental review is required for the proposed actions.

Sustainability Considerations: The Project has been reviewed for consistency with the goals, policies, and targets of the 2035 General Plan. If approved, the Project will directly or indirectly conserve energy resources and reduce greenhouse gas emissions and advance the following goals, policies, and targets of the Plan: a) Housing Element – Strategies and Policies for Conserving Energy Resources – Climate Action Plan, subsection 7.2: improving the energy efficiency in new buildings; and b) Environmental Resources - Air Quality and Climate Change sub-section 6.1.7: reduce greenhouse gas emissions from new development, promoting water conservation and recycling, promoting development that is compact, mixed use, pedestrian friendly, and transit oriented; and promoting energy-efficient building design and site planning.

Commission Action: At its meeting on May 1, 2019, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

Rationale for Recommendation: The actions recommended in this report support the Agency and City mission to provide a range of affordable housing opportunities throughout the City. In addition, the recommended actions support the City of Sacramento's 2013-2021 Housing Element, Promise Zone plans and goals, and the Downtown Housing Initiative and Initiation of the Downtown Specific Plan. The commitment letter for CNI funds will provide evidence of committed funds required to support the MHP application. If awarded, the MHP loan will provide the balance of funds needed to obtain tax credits and complete Block B of the project.

Financial Considerations: The proposed financing structure for Twin Rivers Block B includes CNI funds, MHP funds, tax-exempt bond financing, noncompetitive four-percent tax credits, Project-based Section 8 vouchers and a below-market ground lease from HACOS. If the MHP funds are awarded, staff will return to the Council with a detailed financial projections and a request to approve the issuance of tax-exempt mortgage revenue bonds.

LBE - M/WBE and Section 3 requirements: LBE considerations do not apply to this report. Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable. The Developer will work with the Sacramento Employment and Training Agency and the Greater Sacramento Urban League or similar programs to promote employment opportunities.

Respectfully Submitted by:

Executive Director

Attachments

- 01 Description/Analysis
- 02 Conceptual Site Plan
- 03 Vicinity Map Blocks A and B
- 04 TCC Project Area Map
- 05 Project Summary Block B
- 06 Resolution MHP Application Block A
- 07 Resolution MHP Application Block B
- 08 Resolution CNI Commitment

Twin Rivers Transit-Oriented Development and Light Rail Station Project , 140202

Propsed Site Plan Updated 01.04.2019

Figure 2-4
Conceptual Site Plan
Updated 2019.01.04

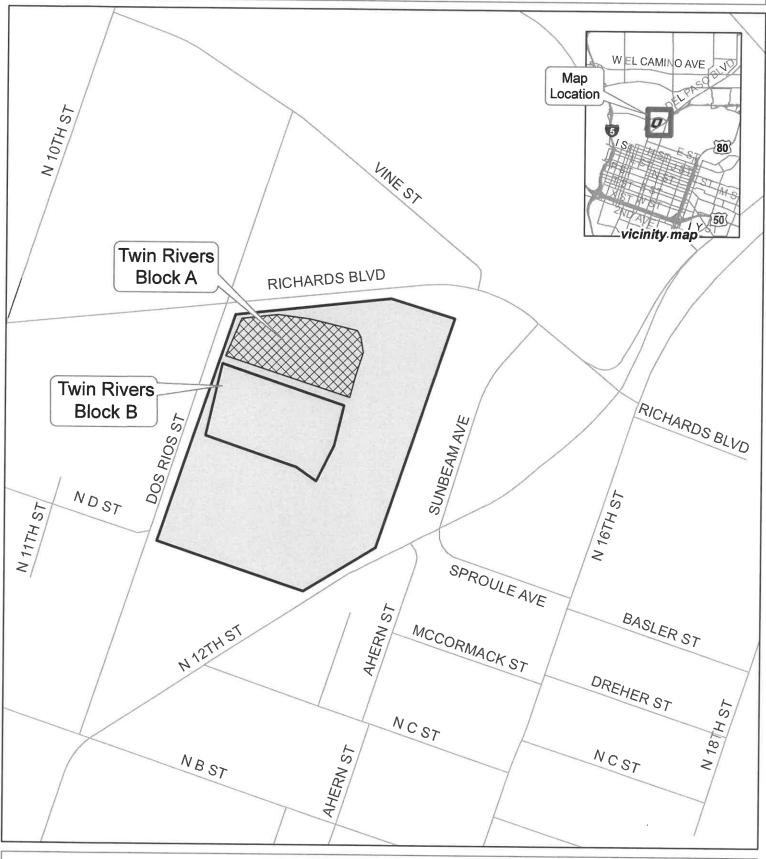
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188		39	24	36	3/8/	24	180	37.0%					оот Томпнои	n Apartment B	amily Apartme	amily Apartme	-amily Apartme Childcare Cent		200° IN FEET
Block Area 18	(Acres)	2.92	1.66	2.75	3.25	2 68	15.02					Legend	2-Story 3-Bedroom Townhouse	3-Story Garden Apartment Building	3-Story Multi-Family Apartment Building	4-Story Multi-Family Apartment Building	4-Story Multi-Family Apartment w/ Ground Floor Childcare Center	Parking	0' 100' 200' SCALE IN FEET
Block		ď	<u>a</u>	ے د	2 "	4	Tota										Management on Language		←z

UNIT COUNT BY TYPE

SVA



Twin Rivers Block A and Block B



Twin Rivers

Feet 0 200 400



SHRA GIS March 12, 2019

OUR PROJECTS



Twin Rivers

Public Housing

Development



Solar Panels



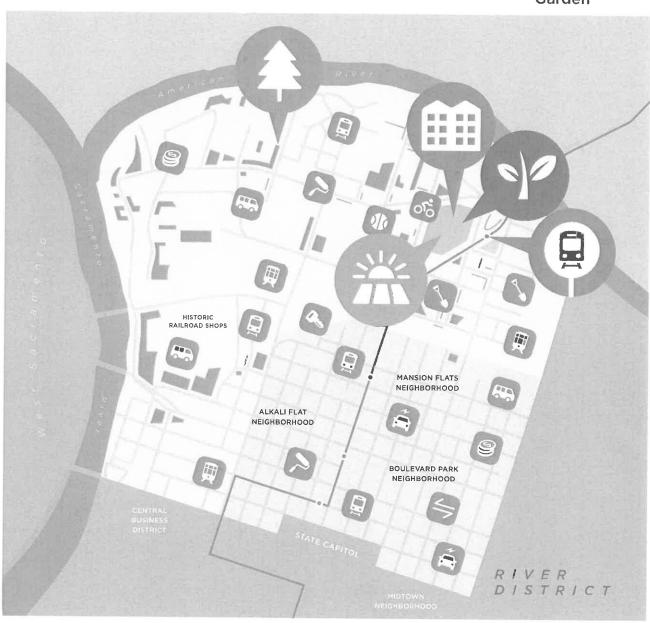
Dos Rios Light Rail Station



NeighborWoods Program



Twin Rivers Housing Community Garden





Jump Bikes



NeighborWoods Urban Greening & Green Infrastructure



Project area that falls within the top 5% of disadvantaged communities*



Project area that falls within the top 25% of disadvantaged communities*



Affordable Housing



Low Income Weatherization in Existing Homes



Mobility Grid



SmaRT Ride Service Area



Streetcar Project



Light Rail



12th & 16th Street Improvements



Electric Vehicle Charging Station



Recreational Equipment



Wide Open Walls Twin Rivers - Block B Project Summary

A 1.1	_	Project Sur						
Address			321 Eliza S	treet	Sacram	ento, CA 958	11	
Number of Units					66			
Construction Type			1	New	Constru	ction		
Affordability	1	40 units at or					o F	Renlacement)
			13 LIHTC	ınite	at or hel	ow 60% of Al	MI.	replacement)
	1					80% of AMI	VII	
	┿		PBV		anager's			
Unit Mix and Rents	1				LIHTC	LIHTC	N	/lanager
			(30% AMI)	(60)%_AMI)	(80%_AMI)		901
1 Bedroom / 1 Bath			10		7	7		
2 Bedroom / 1 Bath	1		19		6	5		1
3 bedroom / 2 Bath	1		4		0	0		
3 Townhouse / 2.5 Bath			6		0	0		
4 bedroom / 2 Bath	וו		1		0	0		
TOTAL			40		13	12		1
Square Footage	\top		Per Unit		Total			•
1 Bedroom / 1 Bath			567	_	3,608	square feet		
2 Bedroom / 1 Bath	1		790		24,490	square feet		
3 bedroom / 2 Bath			1,089		4,356	•		
3 Townhouse / 2.5 Bath			1,228			square feet		
4 bedroom / 2 Bath					7,368	square feet		
	1		1,293		1,293	square feet		
Common Areas	-			1	3,324	square feet		
TOTAL	_				4,439	square feet		
Resident Facilities	R	esidents will have	access the	facil	ities on r	eighborhoodi	na	lots which include
	8	a community park	. manageme	ent o	ffices, re	sident commi	ıitv	space a fitness
	1	7				nd BBQ area		opaco, a mness
Permanent Sources	₩				g pool o	- DDG area	_	
Fermanent Sources		Comment Total		_			_	
	1	Current Total		<u> Pe</u>	<u>er Unit</u>		<u>Pe</u>	er Sq Ft
Senior Lender	\$	4,908,540		\$	74,372		\$	76.17
CNI HACOS		5,469,423		\$	82,870		\$	84.88
HACOS Infrastructure Note	\$	2,508,314			38,005		\$	38.93
MHP	\$	6,143,345			93,081		\$	95.34
Tax Credit Equity	\$	11,647,000			76,470			180.74
Capitalized Ground Lease		14,400		\$	218		\$	0.22
Deferred Developer Fee	اغ	- 1,100		\$			\$	0.22
TOTAL SOURCES	\$	30,691,022			65,015			476.28
Permanent Uses	Ť	CO,COT,CLL		ΨΨ	100,010		Ψ	4/0.20
Ground Lease	۰	16,000		φ	040		ф	0.05
Construction		,		\$	242		\$	0.25
		21,109,533		- 1	19,841			327.59
Permits		306,101		\$	4,638		\$	4.75
Architecture and Engineering		1,446,529			21,917		\$	22.45
Soft Cost Contingency		327,757		\$	4,966		\$	5.09
Hard Cost Contingency		1,836,606			27,827		\$	28.50
First Mortgage Interest		757,000		\$	11,470		\$	11.75
Legal		300,000		\$	4,545		\$	4.66
Financing Costs		670,423			10,158		\$	10.40
Operating Reserves	\$	227,114		\$	3,441		\$	3.52
Developer Fee	\$	2,500,000			37,879		\$	38.80
Insurance, Third Party, Marketing, Other	\$	1,193,959			18,090		\$	18.53
TOTAL USES		30,691,022			65,015		_	476.28
Management / Operations	Ť			Ψ -7	50,010		Ψ	710.20
Proposed Developer:					ck Baron			
Property Management Company:	١.		McCorma		Baron Ma	anagement		
Operations Budget:	1 1	342,428		\$	5,188			
Taxes:	T .	-		\$	-			
Security:		14,850		\$	225			
Property Management		57,707		\$	874			
Resident Services:		83,683		\$	1,268			
Replacement Reserves:		39,600		\$	600			
TOTAL		538,268		\$	8,156		_	
	*	,		4	5, 100			

RESOLUTION NO. 2019 -

Adopted by the Sacramento City Council

On date of May 28, 2019

TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT: AUTHORIZING MCCORMACK BARON SALAZAR, INC. (DEVELOPER) TO APPLY ON BEHALF OF TWIN RIVERS PHASE 1, LP IN RELATION TO THE TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR A MULTIFAMILY HOUSING PROGRAM LOAN IN RESPONSE TO THE APRIL 2019 NOTICE OF FUNDING AVAILABILITY AND EXECUTE RELATED DOCUMENTS

BACKGROUND

- A. The California Department of Housing and Community Development (HCD) issued a Notice of Funding Availability (NOFA) dated April 2019, under the Multifamily Housing Program (MHP), as established by Health and Safety Code Division 31, Part 2. HCD is authorized to approve funding allocations for the MHP Program.
- B. McCormack Baron Salazar, Inc. is the designated developer and Housing Lead for the City of Sacramento for the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project).
- C. In response to this NOFA, McCormack Baron Salazar, Inc. on behalf of Twin Rivers Phase 1, LP (Applicant) is applying to HCD as designated Housing Lead on behalf of the City of Sacramento for an allocation of MHP funds.
- D. If the Developer's application is selected, Developer/Applicant will enter into an agreement with the state to carry out the project.

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

- Section 1. The application for and administration of grant funds are not considered a project under the California Environmental Quality Act (CEQA) per CEQA Guidelines at 14 California Code of Regulations §15378, as this is a government administrative and fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.
- A Finding of No Significant Impact pursuant to the National Environmental Policy Act (NEPA) and a Notice of Determination pursuant to CEQA have been filed for the project. No further environmental review under CEQA or NEPA is required for activities in furtherance of the Twin Rivers Transit-Oriented Development and Light Rail Station Project.

- Section 3. In response to the NOFA, Developer shall submit an application to HCD to participate in the MHP program for an allocation of funds not to exceed Seven Million, Five Hundred Thousand Dollars (\$7,500,000) for the construction of new multifamily rental housing for eligible households located in Block A of the Project.
- Section 4. If the application for funding is approved by HCD, the Developer/Applicant agrees to use the MHP funds for eligible activities in the manner presented in its application as approved by HCD and in accordance with the statutes and regulations set forth above. The Developer/Applicant may also execute a standard agreement, any amendments thereto, and all other documents or instruments necessary or required by HCD.
- Section 5. The President of the Developer/Applicant or designee is authorized to enter into and execute any and all documents in the name of the Applicant as may be required for submission and approval of the application.

RESOLUTION NO. 2019 -

Adopted by the Sacramento City Council

On date of

AUTHORIZING MCCORMACK BARON SALAZAR, INC. (DEVELOPER) TO APPLY ON BEHALF OF TWIN RIVERS PHASE 2, LP IN RELATION TO THE TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR A MULTIFAMILY HOUSING PROGRAM LOAN IN RESPONSE TO THE APRIL 2019 NOTICE OF FUNDING AVAILABILITY AND EXECUTE RELATED DOCUMENTS

BACKGROUND

- A. The California Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability (NOFA) dated April 2019, under the Multifamily Housing Program (MHP), as established by Health and Safety Code Division 31, Part 2. HCD is authorized to approve funding allocations for the MHP Program.
- B. McCormack Baron Salazar, Inc. is the designated developer and Housing Lead for the City of Sacramento for the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project).
- C. In response to the NOFA, McCormack Baron Salazar, Inc. on behalf of Twin Rivers Phase 2, LP (Applicant) is applying to HCD as designated Housing Lead on behalf of the City of Sacramento for an allocation of MHP funds.
- D. If the Developer's application is selected, Developer/Applicant will enter into an agreement with the state to carry out the project.

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

- Section 1. The application for and administration of grant funds are not considered a project under the California Environmental Quality Act (CEQA) per CEQA Guidelines at 14 California Code of Regulations (CCR) §15378, as this is a government administrative and fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.
- Section 2. A Finding of No Significant Impact (FONSI) pursuant to the National Environmental Policy Act (NEPA) and a Notice of Determination (NOD) pursuant to CEQA have been filed for the project. No further environmental review under CEQA or NEPA is required for activities in furtherance of the Twin Rivers Transit-Oriented Development and Light Rail Station Project.

- Section 3. In response to this NOFA, Developer shall submit an application to HCD in the MHP program for an allocation of funds not to exceed Eight Million, Five Hundred Thousand Dollars (\$8,500,000) for the construction of new multifamily rental housing for eligible households located in Block B of the Project.
- Section 4. If the application for funding is approved by HCD, the Developer/Applicant agrees to use the MHP funds for eligible activities in the manner presented in its application as approved by HCD in accordance with the statutes and regulations cited above. The Developer/Applicant may also execute a standard agreement, any amendments thereto, and all other documents or instruments necessary or required by HCD.
- Section 5. The President of the Developer/Applicant or designee is authorized to enter into and execute any and all documents in the name of the Applicant as may be required for submission and approval of the application.

RESOLUTION NO. 2019 -

Adopted by the Sacramento City Council

On date of

TWIN RIVERS BLOCK B: APPROVAL OF \$5,500,000 IN CHOICE NEIGHBORHOODS INITIATIVE FUNDS; EXECUTION OF COMMITMENT AND RELATED DOCUMENTS WITH TWIN RIVERS PHASE 2, L.P. (MCCORMACK BARON SALAZAR, INC.) OR RELATED ENTITY; RELATED BUDGET AMENDMENT; AND ENVIRONMENTAL FINDINGS

BACKGROUND

- A. Twin Rivers Phase 2, L.P. (McCormack Baron Salazar, Inc.) (Developer) has applied for an allocation of \$5,500,000 in Choice Neighborhoods Initiative (CNI) funds from the Sacramento Housing and Redevelopment Agency (Agency) to assist in funding the construction and permanent financing of Twin Rivers Block B, which will be new construction of a mixed-income development located in the Twin Rivers district.
- B. On September 28, 2015, the US Department of Housing and Urban Development (HUD) awarded the Housing Authority of the County of Sacramento (HACOS) as Lead Applicant, and the City of Sacramento as Co-Applicant, a \$30 million CNI Grant to implement the Twin Rivers-River District/Railyards Neighborhood Transformation Plan. On December 15, 2015, HACOS and the City of Sacramento executed the FYs 2014-2015 CNI Implementation Grant Agreement with HUD.
- C. The recommended actions are consistent with a) the Agency's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, Priority 4. Rehabilitation and New Production (Resolution No. 2009-148); b) the 2013-2021 Housing Element, which encourages the provision of a variety of quality housing types to encourage neighborhood stability, including options for extremely low-income households (Resolution No. 2013-415); c) the Sacramento Promise Zone Plans and Goals, Sustainably Built Community sub-goal to increase housing types and transit growth to promote livability and connectivity within the Promise Zone (Resolution No. 2015-263); and d) the Downtown Housing Initiative and Initiation of the Downtown Specific Plan, to bring 10,000 places to live to Downtown Sacramento by 2025 (Resolution No. 2015-282).
- D. A combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulation §15070, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations §58.36. A Finding of No Significant Impact pursuant to NEPA and a Notice of Determination pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions.

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

- Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct.
- Section 2. The Loan Commitment for financing the Project with \$5,500,000 in CNI funds is approved, and the Agency is authorized to execute and transmit the Loan Commitment to Twin Rivers Phase 2, L.P. (McCormack Baron Salazar, Inc.) or related entity.
- Section 3. The Agency is authorized to enter into and execute other documents, as approved to form by agency counsel, perform other actions necessary to fulfill the intent of the Loan Commitment that accompanies this resolution, in accordance with its terms, and to ensure proper repayment of the Agency funds including without limitation, subordination, extensions consistent with Agency adopted policy and with this resolution.
- Section 4. The Agency is authorized to amend its budget and allocate up to \$5,500,000 in CNI funds to Twin Rivers Block B.



April 26, 2019

Sacramento Housing and Redevelopment Commission Sacramento, CA

Honorable Members in Session:

SUBJECT:

Twin Rivers Transit Oriented Development And Light Rail Station Project: Choice Neighborhoods Implementation Grant Update Report; Commitment Of Funds For Block B Housing Development.

SUMMARY

The attached report is submitted to you for review prior to final review by the County of Sacramento.

Respectfully submitted,

Executive Director

Attachment

COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of: May 21, 2019

To:

Housing Authority of the County of Sacramento

Through:

Navdeep S. Gill, County Executive

From:

La Shelle Dozier, Executive Director, Sacramento Housing

and Redevelopment Agency

Subject:

Twin Rivers Transit Oriented Development And Light Rail Station Project: Choice Neighborhoods Implementation Grant Update Report; Commitment Of Funds For Block B

Housing Development.

Supervisorial

District(s):

Serna

Contact:

Tyrone Roderick Williams, Director of Development, 916-

440-1316

Victoria Johnson, Program Manager, 916-440-1388

RECOMMENDED ACTION

Adopt a Housing Authority Resolution:

- 1. Approving a loan of up to \$5,500,000 of Choice Neighborhood Implementation (CNI) grant funds for eligible Twin Rivers Block B housing construction purposes.
- 2. Authorizing the Sacramento Housing and Redevelopment Agency (Agency) to execute a Loan Commitment Letter on its behalf with Twin Rivers Phase 2, L.P. (McCormack Baron Salazar, Inc.) or related entity.
- 3. Authorizing the Agency to execute all necessary documents, to amend its budget, and make related findings associated with these transactions.

BACKGROUND

In 2015, the Housing Authority of the County of Sacramento (HACOS) and the City of Sacramento were, as co-grantees, awarded a \$30 million Choice Neighborhoods Initiative (CNI) Grant from the US Department of Housing and Urban Development (HUD) for the Twin Rivers Transit Oriented Development and Light Rail Station Project. The CNI grant supports the redevelopment of the Twin Rivers public housing project and the transformation of the River District/Railyards neighborhood. The grant requires replacement of 218 Twin Rivers public housing units within a mixed-income development which will include at least 487 new housing units, common area and community gathering spaces, and other amenities. A new

Light Rail station will be constructed along 12th Street as part of the Project. The total project area includes six residential blocks and encompasses approximately 26 acres. A Conceptual Site Plan map and vicinity map of the Project are shown in Attachment 1 and Attachment 2. This report requests Board approval to use up to \$5,500,000 of CNI funds to support Block B housing development.

<u>Project Schedule</u>: The CNI Grant Agreement with HUD was finalized and executed in December 2015. The seven-year grant period ends in 2022. In December 2017, a Master Development Agreement was finalized and executed with McCormack Baron Salazar (MBS). MBS serves as both the developer and housing lead for the CNI grant. Project milestones that have been achieved since grant inception include:

- October 2016 Acquired 'Triangle site' along 12th Street for new Light Rail station and Block F mixed-use development
- July 2017 Tentative Map approved; Blocks A & B site plan approved
- August 2017 Mitigated Negative Declaration (CEQA) adopted by governing bodies
- September 2017 Began relocation of Twin Rivers residents
- July 2018 Began demolition of Twin River units
- November 2018 HUD approved a \$16.4 million loan through Section 108 program to construct Twin Rivers new infrastructure
- December 2018 Awarded \$23 million Transformative Climate Communities (TCC) Implementation Grant to construct light rail station, add solar PV and community garden; includes \$1million for Block A residential building
- February 2019 All Twin Rivers residents successfully relocated
- March 2019 HUD approved a revised Housing Plan to: include all replacement housing units in Blocks A – E, extend building construction start date to 2020, and revise income restrictions to conform to tax reform legislation
- April 2019 Building permits for Blocks A and B approved and ready to issue
- (Scheduled) May 2019 Complete demolition of Twin Rivers units; begin site demolition
- (Scheduled) Fall 2019 Begin construction of new infrastructure system

The HUD approved schedule is to commence construction of the first two blocks of housing in 2020, the remaining blocks in 2021, and to complete the residential project in 2022. The TCC Grant Agreement with the State Strategic Growth Council will be executed in 2019 and the light rail station is

scheduled to be completed in 2023. The other TCC projects (solar, trees and garden) will be installed together with the residential project.

Project Financing: The CNI grant funds provide approximately 10 percent of the total amount needed to develop the Project. The TCC grant will provide the majority of funds required to develop the light rail station. The City of Sacramento and the Housing Authority of the City of Sacramento have previously committed Community Development Block Grant (CDBG), Housing Trust Fund, and Housing Successor funds to support the project. As housing lead, MBS is responsible for securing the remaining funding necessary to develop the affordable housing units. To date, MBS has submitted four applications for state funding including three in 2017 and 2018 that were unsuccessful (TCC, Affordable Housing and Sustainable Communities [AHSC] and National Housing Trust Fund) and a second TCC application in late 2018 that was successful. A second application for AHSC was submitted in February 2019 on behalf of Block B and Block E (combined), and the awards will be announced in June 2019. The AHSC application includes a request for \$13 million to be used for housing development and \$7 million for area-wide transportation improvements and amenities.

All of the applicable state funding programs are over-subscribed and competitive. In order to ensure that CNI Project deadlines are met, MBS will continue to submit funding applications in 2019 and 2020 until all phases of the Project are fully funded. MBS plans to submit two Multifamily Housing Program (MHP) applications on behalf of Blocks A and B in June 2019. The MHP application for Block A may include some units that will be set aside for special needs households, in order to meet community need and to make the application more competitive.

After the necessary gap funds are secured, applications for tax-exempt bonds and non-competitive tax credits will be submitted. In 2020, MBS will also apply for competitive tax-credits on behalf of those blocks that can meet the competitive criteria.

The CNI grant funds have been allocated as shown below:

CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT						
Category	Funding Allocation					
Administration and Fees and Costs	1,769,368					
Demolition	1,308,000					
Relocation	654,000					
Supportive Services	4,468,632					
Community Improvements	3,262,000					
Infrastructure	500,000					
Housing Units	18,038,000					
TOTAL	\$30,000,000					

The Project ownership structure is based upon a ground lease whereby HACOS will lease the underlying land to a tax-credit partnership, and the partnership will construct and own the building and site improvements for the 15 year tax-credit period. At the end of the tax-credit period, the building, improvements and the lease will be sold or transferred to a new owner, and the SHRA non-profit affiliate (SHARP) will have the first option to acquire the project. In December 2017, HACOS approved a Lease Option Agreement with MBS that meets funding application requirements for site control. The initial Agreement granted an option to lease through December 2018, and an Amendment granted an option to lease through July 2019. To meet the requirements of all remaining funding applications, a second Amendment will grant an option to lease through July 2021.

<u>Critical Community Improvements:</u> Staff is actively engaged and working to support the Critical Community Improvement (CCI) component of the CNI grant. Eight projects have received preliminary HUD approval as follows:

- North 12th Street Community Engagement Art Project
- Salvation Army Center for Hope Improvements
- North 12th and 16th Streets Placemaking Gateway Element
- Robert T. Matsui Waterfront Park Improvements
- Basketball Court Park
- Wayfinding Signage along pedestrian and bike paths
- Interpretive Signage along American River
- North A St. frontage improvements

The Community Engagement Art Project and Salvation Army Center for Hope will be the first two projects to be undertaken and they will be completed in 2019.

Twin Rivers Resident Services: Relocation assistance and supportive resident services for all former Twin Rivers residents are required as a condition of CNI grant funding. About 60 percent of the Twin Rivers households opted to be relocated to other properties owned by SHRA, and 40 percent opted to participate in the Housing Choice Voucher (HCV) Program to rent units on the private market. When the replacement housing is constructed, all eligible residents will have the option to return to Twin Rivers. The resident services are provided for the duration of the grant period and for one additional year. These services are being provided by Urban Strategies, Inc. (USI). Approximately 75 percent of Twin Rivers households meet regularly with a case manager. Through various community partnerships, USI also provides educational and job training, job opening referrals, access to programs for children and youth, and health and wellness support. Resident meetings are held regularly in locations throughout the County to allow Twin Rivers residents to remain engaged and informed about the redevelopment project.

<u>Current Request</u>: The City and HACOS have previously approved the commitment of \$7,000,000 of CNI funds for Block A housing development. This report requests the approval to use up to \$5,500,000 of CNI funds to support Block B housing development. Following approvals from the City and HACOS, the Agency will issue a commitment letter to be used as evidence of funding commitments required for a MHP application. The Block B MHP application is a funding 'back-up plan' in case the pending AHSC application is not successful

The Notice of Funding Availability for MHP has not yet been published as of the preparation of this staff report, but is scheduled to be issued in late April 2019. The applications will be due in late June 2019 and the awards will be announced in September 2019. If awarded, the MHP funds will provide the remaining gap funds needed, and Block B construction will begin in the $1^{\rm st}$ quarter of 2020.

Block B will include 66 total housing units restricted to income levels between 30 percent and 80 percent of area median income. The community center and management office for the Project will be located in Block A. Block B will include additional amenities such as a play area, picnic area and electric car share. Block B will be adjacent to the new 1-acre community park. A Block B project summary is included as Attachment 3.

COMMISSION ACTION

At its meeting on May 1, 2019, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES:

NOES:

ABSENT:

ABSTAIN:

POLICY CONSIDERATIONS

The recommended actions are consistent with the Agency's previously approved Multifamily Lending and Mortgage Revenue Bond Policies, priority 1. Preservation. HUD has approved a five-year Public Housing Authority Plan affirming Twin Rivers as a public housing development designated for demolition and disposition. The recommended actions in this report are also consistent with the County's commitment to the Housing Authority Asset Repositioning Guidelines and the County's executed CNI Grant Agreement for the Twin Rivers/River District-Railyards Initiative. The completed Project will create a minimum of 487 affordable, workforce and market rate housing units, recreational and cultural amenities, improved access to the urban core and a range of new mobility options

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): A combined Initial Study/Environmental Assessment (IS/EA) was prepared for the Twin Rivers Transit Oriented Development and Light Rail Station Project pursuant to CEQA requirements under 14 California Code of Regulations (CCR) §15070, and NEPA requirements under 24 Code of Federal Regulations (CFR) §58.36. The SHRC approved the final environmental document on behalf of SHRA at its meeting on July 19th. Along with site entitlements, the Planning and Design Commission for the City of Sacramento made findings pursuant to CEQA and adopted the Mitigated Negative Declaration (MND) and associated Mitigation Monitoring and Reporting Program (MMRP) on July 27, 2017, and subsequently issued a Notice of Determination (NOD) pursuant to CEQA and a Finding of No Significant Impact (FONSI) pursuant to NEPA. On August 22, 2017, the County Board of Supervisors adopted the MND and associated MMRP and

approved the Project. On August 24, 2017, SHRA issued the NOD for the Project pursuant to CEQA. All activities related to the Project are covered by this environmental review. No further environmental review is required for the proposed actions.

M/WBE/SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent possible and as required by federal funding. The Developer and General Contractor will work with the Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities.

FINANCIAL ANALYSIS

The proposed financing structure for Twin Rivers Block B includes CNI funds, MHP funds, tax-exempt bond financing, noncompetitive four- percent tax credits, Project-based Section 8 vouchers and a below-market ground lease from HACOS. If the MHP funds are awarded, staff will return to the Council with a detailed financial projections and a request to approve the issuance of tax-exempt mortgage revenue bonds.

Respectfully Submitted,

APPROVED NAVDEEP S. GILL, County Executive

LA SHELLE DOZIER, Executive Director Sacramento Housing and Redevelopment Agency

By:______ROBERT B. LEONARD
Deputy County Executive

Attachments:

RES - HACOS Resolution

Exhibit A - CNI Commitment Letter

ATT 1 - Conceptual Site Plan

ATT 2 - Vicinity Map Blocks A & B

ATT 3 – Project Summary Block B

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT: APPROVING A LOAN OF UP TO \$5,500,000 OF CHOICE NEIGHBORHOOD IMPLEMENTATION GRANT FUNDS FOR ELIGIBLE TWIN RIVERS BLOCK B HOUSING; AUTHORIZING SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) TO ISSUE A LOAN COMMITMENT OF CNI FUNDS TO TWIN RIVERS PHASE 2 HOUSING, LP OR RELATED ENTITY FOR BLOCK B HOUSING; AUTHORIZING BUDGET AMENDMENT; AND RELATED FINDINGS

WHEREAS, on September 28, 2015, the U.S. Department of Housing and Urban Development (HUD) awarded the Housing Authority of the County of Sacramento (HACOS) as Grantee and the City of Sacramento as Co grantee a \$30 million Choice Neighborhoods Initiative (CNI) grant to implement the Twin Rivers – River District – Railyards Neighborhood Transformation Plan; and

WHEREAS, On December 15, 2015, HACOS authorized execution of the Fiscal Years 2014-2015 CNI Implementation Grant Agreement with HUD for the CNI grant; and

WHEREAS, a combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations §15070, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations §58.36. A Finding of No Significant Impact (FONSI) pursuant to NEPA and a Notice of Determination (NOD) pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions; and

WHEREAS, the HACOS is seeking to allocate up to \$5,500,000 of CNI grant funds for the development of Block B Housing; and

WHEREAS, the HACOS is seeking approval to authorize Sacramento Housing and Redevelopment Agency, as Project manager, to issue on its behalf a Loan Commitment letter for up to \$5,500,000 million of CNI funds

Twin Rivers Transit Oriented Development And Light Rail Station Project: Approval of Allocation of Choice Neighborhoods Implementation Grant funds for Block B Housing, Loan Commitment, And Related Findings Page 2

as a permanent loan to Twin Rivers Phase 2, L.P. or related entity for eligible housing costs; and

WHEREAS, the HACOS is seeking approval to amend the CNI grant budget and housing plan to allocate up to \$5,500,000 of the \$18,038,000 currently budgeted for housing specifically for Block B Housing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO AS FOLLOWS:

<u>Section1.</u> All evidence presented having been duly considered, the above Recitals, including but not limited to the environmental facts, are found to be true and accurate and are hereby adopted.

<u>Section 2</u>. The allocation of up to \$5,500,000 of CNI grant funds for Block B Housing is approved.

<u>Section 3</u>. The Sacramento Housing and Redevelopment Agency is authorized to issue a Loan Commitment on behalf of HACOS up to \$5,500,000 of CNI grant funds to be loaned to Twin Rivers Housing Phase 2, LP or related entity for eligible Block B housing costs.

Section 4. SHRA is authorized to amend the CNI grant budget and housing plan to allocate up to \$5,500,000 specifically for eligible Block B housing costs.

On a motion by Supervisor	, seconded by Supervisor
, the foregoing Reso	olution was passed and adopted by the
Board of Supervisors of the County	of Sacramento this 21st day of May
2019, by the following vote, to wit:	

AYES: Supervisors,

NOES: Supervisors,

ABSENT:	Supervisors,	
ABSTAIN:	Supervisors,	
	Supervisors, REFORM ACT (§ 18702.5.)	
		Chair of the Board of Supervisors of Sacramento County, California
(SEAL)		
ATTEST: Cle	erk, Board of Supervisors	

Twin Rivers Transit Oriented Development And Light Rail Station Project: Approval of Allocation of Choice Neighborhoods Implementation Grant funds for Block B Housing, Loan Commitment, And Related Findings

Page 3

Date: May 31, 2019

McCormack Baron Salazar, Inc. Dan Falcon, Managing Director 801 South Grand Ave., Suite 780 Los Angeles, CA 90017-4635

RE: Conditional Funding Commitment for Twin Rivers Block B

Dear Mr. Falcon,

On behalf of the Sacramento Housing and Redevelopment Agency (Agency), we are pleased to advise you of its commitment of permanent loan funds (Loan) comprised \$5,500,000 in Choice Neighborhoods Initiative (CNI) Funds for the purpose of financing the development of that certain real property known as Twin Rivers Block B, located at 321 Eliza Way, Sacramento, California (Property). The Agency's decision is based on your application, and all representations and information supplied by you to it. If these representations and information change in a material manner without written approval of the Agency, this commitment is void. Agency's obligation to make the Loan is subject to the satisfaction of all the following terms and conditions and Borrower's execution of documentation that is in a form and in substance satisfactory to the Agency.

The Loan shall be made on standard Agency loan documents. Loan terms not in this funding commitment and the attached loan document forms shall not be included in the final loan documents without additional environmental review and governing board approval. In the event of any discrepancies between terms stated in this commitment and the loan documents, the terms stated in the loan commitment letter shall be deemed to be terms of this commitment.

Unless otherwise agreed in writing by the Agency in exercise of its absolute discretion, the following shall be considered conditions to Agency approval of a financing commitment. The Agency may, in exercise of its absolute discretion, modify its requirements upon written notice to Borrower given at least sixty (60) days prior to close of escrow for the Property.

This commitment will expire May 31, 2021.

- 1. <u>PROJECT DESCRIPTION</u>: Twin Rivers
 Twin Rivers Block B (Project) is a new construction, mixed-income housing development. Block B will include 66 dwelling units and parking spaces.
- 2. <u>BORROWER</u>: The name of the Borrower for the Loan is Twin Rivers Phase 2, L.P., a California limited partnership (McCormack Baron Salazar, Inc., or related entity).
- 3. <u>PURPOSE OF LOAN</u>: The Loan is to be used by Borrower solely to pay the costs of development and for such other purposes as Agency expressly agrees to in the loan agreement for the Loan, and such other agreements as may be generally required by the Agency for the use of the funding source for the Loan.

- 4. <u>PRINCIPAL AMOUNT</u>: The combined principal amount of the Loan will be the lesser of (a) \$5,500,000 (Five Million Five Hundred Thousand Dollars), or (b) an amount to be determined prior to close of the Loan based on a project budget approved by Agency.
- 5. <u>TERM OF LOAN</u>: The Loan shall mature 57 years or 684 months from the date of closing, at which point any and all unpaid principal and interest on the loan will be due and payable.
- 6. <u>INTEREST RATE</u>: The Loan will bear simple interest at four percent (4%) per annum or the applicable federal rate. Interest shall be calculated on the basis of a 365-day year and actual number of days elapsed.
- 7. ANNUAL REPAYMENT: Annual principal and interest payments shall be made according to the structured payment schedule contained in the final Loan Agreement, calculated to achieve annual 1.2 debt coverage ratio. Payments shall be applied first to outstanding interest accrued and unpaid and then to principal. All outstanding principal and interest is due and payable on the maturity date. Notwithstanding the preceding payment schedule, no payments shall be made on this Loan until the full balance of principal and interest on the capitalized ground lease seller carryback loan made by the Housing Authority of the County of Sacramento to the Borrower pursuant to the Master Development Agreement is paid in full.

8. SOURCE OF LOAN FUNDS:

Agency is making the Loan from the following sources of funds, and the Loan is subject to all requirements related to the use of such, whether Agency requirements or otherwise: \$5,500,000 in Choice Neighborhoods Initiative (CNI) Funds. This Loan is conditioned upon Borrower's acceptance of Agency's requirements and conditions related to such lending programs and funding sources, including among others, the required forms of agreements for the Loan; the requirements for covenants, conditions and restrictions upon the Property; and insurance and indemnity requirements.

Borrower acknowledges that, as a condition of the Agency's making of the Loan, the Property will be subject to restrictions on future sales and rentals which may result in less income to Borrower than could otherwise be realized, and that such restrictions run with the land, and during their operational term, will bind all successors in interest.

____ (Borrower Initial)

- 9. <u>ACCELERATION</u>: Agency shall have the right to accelerate repayment of the Loan in the event of a default under any Loan Document or upon sale, transfer or alienation of the Property except as specifically provided for in the Loan documents.
- 10. <u>SECURITY</u>: The Loan shall be evidenced by promissory note(s) secured by a deed of trust with assignment of rents against the fee and/or leasehold interest in the Property and Improvements, which shall be a lien upon the Property and Improvements subject only to the

construction and/or permanent mortgage loans senior to the Agency's lien and such other items as the Agency may approve in writing. The Loan shall also be secured by security agreements. The Agency may subordinate said deeds of trust in order to accommodate completion of construction of the Property.

- 11. <u>LEASE AND RENTAL SCHEDULE</u>: All leases of the Property and Improvements shall be subject to Agency's review and approval prior to execution. Borrower shall not deviate from the rental schedule presented in Borrower's application for the Loan without Agency's prior written approval; provided, however, that such approval shall not be required for annual adjustments to rental rates as permitted by the California Tax Credit Allocation Committee.
- 12. <u>PROOF OF EQUITY</u>: Borrower shall provide proof of equity for the Property and Improvements in the amount of no less than \$11,500,000 in Low Income Housing Tax Credit Equity. If LIHTC equity goes below \$11,500,000, the equity must be offset by an increase in deferred developer fee.
- 13. OTHER FINANCING: Borrower, as a requirement of the Loan, shall procure and deliver to Agency evidence satisfactory to Agency that Borrower has obtained the following described financing which may be secured by a lien upon the Property and Improvements superior or subordinate to Agency's liens, and which shall be otherwise on terms and conditions acceptable to Agency:
 - (a) As a condition precedent to disbursement of the remainder of the Agency loan, construction financing from a private lender(s) in an amount(s) sufficient to complete construction of the Property according to a scope of work as approved by Agency and made for a term not less than that specified in the Schedule of Performances for completion of construction, and in any event not less than the time necessary to fulfill all conditions precedent to funding of the permanent financing.
 - (b) Commitments for permanent financing sufficient to "take out" all liens senior to the Agency's lien.
 - (c) Such commitments for financing shall not require modification of Agency loan documents, or any term of this commitment letter.
 - (d) Such commitments shall not be based upon sources and uses of Project funds that are different from those approved by Agency for the project or be subject to conditions which require amendment of the DDA, or other agreements.
- 14. <u>EVIDENCE OF FUNDS</u>: Prior to the first disbursement of the Loan, Borrower must demonstrate evidence of adequate and assured funding to complete the development of the Project in accordance with the Agency's requirements. Borrower's evidence of available funds must include only one or more of the following: a) Borrower equity; b) firm and binding commitments for the Project from financial institution(s) or from other lender(s) approved by Agency in its absolute discretion; and c) Agency's contribution, provided, however, that Agency is not obligated by this letter to make any contribution not stated in the terms of the letter.

- SOILS AND TOXIC REPORTS: Borrower has submitted to the Agency a hazardous substances report made in accordance with the American Society for Testing and Materials "Standard Practice for Environmental Site Assessments; Phase I Environmental Site Assessment Process" (Designation E1527-13) prepared by a licensed or registered environmental engineer or other qualified party prior to Loan closing. Borrower must, as a condition of disbursement of Loan funds, give assurances satisfactory to the Agency that hazardous materials are not present on the Property or that any hazardous materials on the Property will be remediated and that no further remediation is then required by the environmental agency having responsibility for monitoring such remediation.
- 16. <u>LOAN IN BALANCE</u>: Borrower will be required to maintain the Loan "in balance". The Loan is "in balance" whenever the amount of the undisbursed Loan funds, the remaining sums to be provided by the Borrower and the loan funds from other project lenders or the equity investor are sufficient, in the sole judgement of the Agency, to pay for the remainder of the work to be done on the project as required by written agreement with the Agency. Should the Agency determine that the Loan is not "in balance", the Agency may declare the Loan to be in default.
- PLANS AND SPECIFICATION: Final plans and specifications, if any, for the project must be in accord with the proposal approved as part of the Loan application. Final plans and specifications will be subject to Agency's final approval prior to the disbursal of Agency Loan funds. Borrower must obtain Agency's prior written consent to any change in the approved plans and specifications or any material deviation in construction of the project. The final plans shall incorporate all related mitigation measures as required in the Mitigation Monitoring and Reporting Program of Twin Rivers Transit Oriented Development and Light Rail Station Project as may be applicable to Twin Rivers Block2, environmental conditions required, if any, for compliance with approvals under CEQA, and/or NEPA, or the U.S. Department of Housing and Urban Development as conditions of approval of the project.
- 18. <u>ARCHITECTURAL AGREEMENT</u>: The architectural agreement (Agreement), if any, for the preparation of the plans and specifications and other services shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Agreement as security for the Loan.
- 19. <u>CONSTRUCTION CONTRACT</u>: The construction contract (Contract), if any, and any change orders issued thereunder, and the contractor (Contractor) to be retained by Borrower to construct the Improvements shall be subject to Agency's approval. Agency may require an assignment of Borrower's interest in and to the Contract as security for the Loan. Agency may require Contractor to provide a performance and payment bond in a form acceptable to Agency for the amount of the Contract.
- 20. <u>RETENTION AMOUNT</u>: The Agency shall retain ten percent (10.0%) as retention from each disbursement, not to exceed a total of ten percent (10.0%) of the total amount of the Loan.

21. <u>COST BREAKDOWN</u>: Borrower shall deliver to Agency for Agency's approval prior to commencement of work a detailed cost breakdown of the cost of constructing, financing and other costs of developing the Improvements, which breakdown conforms to the project plans and specification and the budget approved with this commitment. Borrower shall also deliver a list of all contractors and subcontractors to be employed in connection with the construction of the Improvements. If required by the Agency, Borrower shall also submit copies of all bids received for each item of work to be performed as well as copies of executed contracts and subcontracts with acceptable bidders.

All contracts, subcontracts, contractors, and subcontractors shall be subject to Agency's approval prior to close of the Loan. Agency also reserves the right to require performance and material payment bonds on any or all contractors, or in lieu of bond a letter of credit acceptable to Agency.

Agency shall make disbursements of the Loan based on a cost breakdown that lists line items in cost categories. Agency shall require that Borrower provide documentation supporting all requests for disbursement of Loan funds, including proof of work done and actual expenditure. Agency shall conduct inspections of the Property to assure that the work was done before making a disbursement.

- 22. COST SAVINGS: At completion of construction, Borrower shall submit to Agency a cost certification prepared by a qualified, independent auditor acceptable to Agency, which cost certification shall indicate the amounts actually spent for each item in the cost breakdown and shall indicate the final sources of funding. If there is an aggregate savings, in the total of all such cost breakdown items from the cost breakdown items in the original budget approved by the Agency, after adjusting for any decrease in any funding source including any loss of any equity investment due to an adjustment in the allowable tax credits, the Agency shall withhold for itself as loan repayment, one-half of such savings from the amount of retention then held by the Agency, and the Loan balance shall be reduced by the amount so withheld. The Agency, in its sole discretion, shall determine any reduction and/or repayment of the Agency loan based upon this cost certification and the original approved budget for the project.
- 23. <u>START OF CONSTRUCTION</u>: Borrower shall commence construction at the earliest possible date subject to the conditions of this Agency and other involved lenders, but no later than sixty (60) days following the close of construction financing.
- 24. <u>COMPLETION OF CONSTRUCTION</u>: Borrower shall complete the construction of the Improvements no later than 24 months following the close of construction financing.
- 25. <u>SECURITY CAMERAS AND OUTSIDE LIGHTING</u>: Project shall include installation of a security camera system, exterior lighting, and security patrols, all as approved by the Agency.

- 26. <u>INSURANCE PROVIDER</u>: Each policy of insurance required under the Loan shall be obtained from a provider licensed to do business in California and having a current Best's Insurance Guide rating of A VII, which rating has been substantially the same or increasing for the last five (5) years, or such other equivalent rating, as may reasonably be approved by Lender's legal counsel.
- 27. <u>HAZARD INSURANCE</u>: Borrower shall procure and maintain fire and extended coverage insurance and during construction Builder's Risk completed value insurance in a form and substance approved by Agency. Coverage shall be for protection against loss of, or damage to the Improvements or materials for their construction to their full insurable value. Borrower shall also procure and maintain insurance against specific hazards affecting Agency's security for the Loan as may be required by Agency, governmental regulations, or any permanent lender. All such policies shall contain a standard mortgagee loss payable clause in favor of Agency. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000.00).
- PUBLIC LIABILITY AND OTHER INSURANCE: Borrower must procure and maintain 28. public liability and property damage insurance (with Agency named as additional insured) in a form approved by Agency. Coverage must be approved by Agency and must be in at least the following limits of liability: (1) Commercial General Liability insurance in Insurance Services Office (ISO) policy form CG 00 01 Commercial General Liability (Occurrence) or better with limits of liability, which are not less than \$1,000,000, per occurrence limit; \$5,000,000 general aggregate limit, and \$5,000,000 products and completed operations aggregate limit, all per location of the Project; (2) Property damage liability of \$1,000,000 each occurrence, \$1,000,000 single limit and \$1,000,000 aggregate; (3) Contractual liability for Bodily Injury of \$1,000,000 each occurrence, for Property Damage of \$1,000,000 each occurrence and \$1,000,000 aggregate, and Personal Injury with Employment Exclusion Deleted of \$1,000,000 aggregate; and (4) Comprehensive Automobile Liability for any vehicle used for or in connection with the Work of \$1,000,000. The insurance required shall be written with a deductible of not more than TEN THOUSAND DOLLARS (\$10,000). Borrower must also procure and maintain workers' compensation and all other insurance required under applicable law, as required by law and as approved by Agency.
- 29. <u>TITLE INSURANCE</u>: Borrower must procure and deliver to Agency an ALTA Lender's Policy of Title Insurance, together with such endorsements as Agency may require, including but not limited to CLTA endorsement nos. 100, 116, and 102.5/102.7 insuring Agency in an amount equal to the principal amount of the Loan, that Agency's Deed of Trust constitutes a third lien or charge upon the Property and Improvements subject only to such items as shall have been approved by Agency. There must be no exceptions permitted for mechanics liens. Title insurance for the Loan must be issued by a title insurer approved by Agency.
- 30. ORGANIZATIONAL AGREEMENTS: Borrower must submit to Agency certified copies of all of Borrower's organizational documents, including all amendments, modifications or terminations: if a corporation, Borrower's Articles of Incorporation and By-Laws; if a partnership, its Partnership Agreement and, as applicable, Certificate of Limited Partnership

or Statement of Partnership; if a Limited Liability Company, its Articles of Organization and its Operating Agreement; and in all cases with all exhibits and amendments to such documents, fictitious business name statements, other related filings or recorded documents and such related documents as Agency may request. If it is a corporation, Borrower must submit a corporate borrowing resolution referencing this Loan. If Borrower is other than a corporation, Borrower must submit such proof of authority to enter this Loan as may be required under the organizational documents.

- 31. <u>PURCHASE OF PROPERTY</u>: Borrower shall provide Agency with copies of all documents relating to Borrower's purchase of the Property.
- 32. <u>FINANCIAL INFORMATION</u>: During the term of the Loan, Borrower shall deliver to Agency within 120 days of the end of each fiscal year an audited income and expense statement, a balance sheet, and a statement of all changes in financial position signed by authorized officers of Borrower. Prior to close of the Loan and during its term, Borrower must deliver to Agency such additional financial information as may be requested by Agency. Agency reserves the right to review and approve financial statements and other credit information and references prior to closing. During the term of the Loan, Borrower must deliver to Agency a monthly rent-roll including household composition information and operating statements with respect to the Property and Improvements, as Agency may request.
- 33. <u>MANAGEMENT AGREEMENT</u>: Prior to execution, Borrower must submit to Agency any agreement providing for the management or operation of the Property or Improvements by a third party which agreement is subject to Agency Approval.
- 34. <u>RESIDENT SERVICES AGREEMENT</u>: Prior to execution, Borrower must submit to Agency any agreement providing for the resident services by a third party which agreement is subject to Agency Approval. The agreement must include a minimum of fifteen (15) hours of on-site resident services.
- 35. <u>LOW INCOME HOUSING TAX CREDITS (LIHTC)</u>: Borrower represents that as a condition of closing this Loan it is applying for an allocation of LIHTC's and agrees to perform all actions and to meet all requirements to maintain the LIHTC allocation if granted.
- 36. <u>SMOKE-FREE ENVIRONMENT</u>: At least 50% of the buildings but no less than 50% of the units must be smoke free. All indoor common areas must be smoke-free.
- 37. <u>DOCUMENTATION</u>: This letter is not intended to describe all of the requirements, terms, conditions and documents for the Loan, which shall also include customary provisions and documents for an Agency transaction of this type. All documents to be delivered to or approved by Agency must be satisfactory to Agency in all respects. Borrower must promptly deliver to Agency any further documentation that may be required by Agency.
- 38. <u>CONSISTENCY OF DOCUMENTS:</u> As a material obligation under this commitment letter, Borrower shall assure that the loan documents for the Project are consistent with lender's

commitment approved by the Agency and comply, in all respects, with this commitment letter.

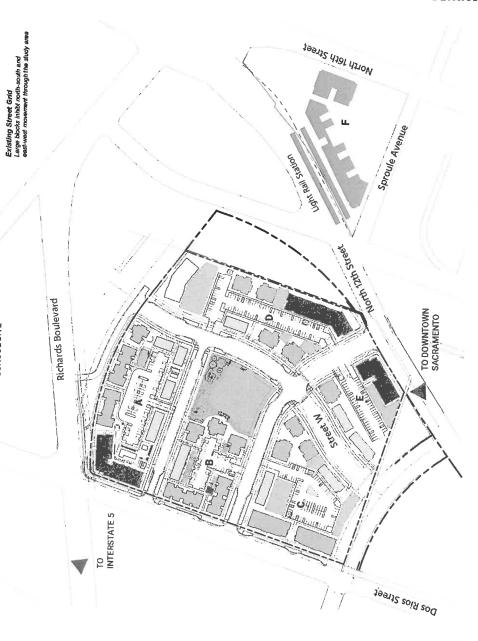
- 39. <u>CHANGES OR AMENDMENTS</u>: No documents or contracts which are to be delivered to Agency or are subject to Agency's review or approval shall be modified or terminated without the prior written approval of Agency.
- 40. <u>ACCEPTANCE OF THIS COMMITMENT</u>: Borrower's acceptance of this Commitment shall be evidenced by signing and delivering to Agency the enclosed copy of this letter. Until receipt of such acceptance by Agency, Agency shall have no obligation under this letter. Agency may withdraw this commitment at any time prior to Borrower's acceptance.

Sincerely,
La Shelle Dozier Executive Director
The undersigned acknowledges and accepts the foregoing Commitment and its terms and conditions.
Dated: May 31, 2018
BORROWER:
Twin Rivers Phase 2, a California limited partnership
By: Daniel Falcon, Managing Director

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slock	Area (Acres)	1BR	2BR	3BR (incl. TH)	4BR	288	Total	DU/Acre	Parking
_	2.92	39	48	16	1	0	104	35.6	77
	1.66	24	31	10	-	0	99	39.8	AA
	2.75	36	24	17	9	-	84	30.5	74
0	3.25	37	46	7.7	4	0	114	35.1	87
	1.76	20	22	00	٧	-	2	33.4	90
	2.68	24	30	00	0	1 0	6	32.4	3
rotal	15.02	180	201	98	18	2	487	32.4	383
		37.0%	41 3%	17 70%	2 70%	/04.0			

SMYTHE ACADEMY SCHOOL SITE



3-Story Multi-Family Apartment Buileting 4-Story Multi-Family Apartment Buileling

4-Story Mutti-Famity Apartment w/ Ground Floor Childcare Center

Parking

3-Story Garden Apartment Building

2-Story 3-Bedroom Townhouse

Legend

Twin Rivers Transit-Oriented Development and Light Rail Station Project . 140202 Propsed Site Plan Updated 01.04.2019

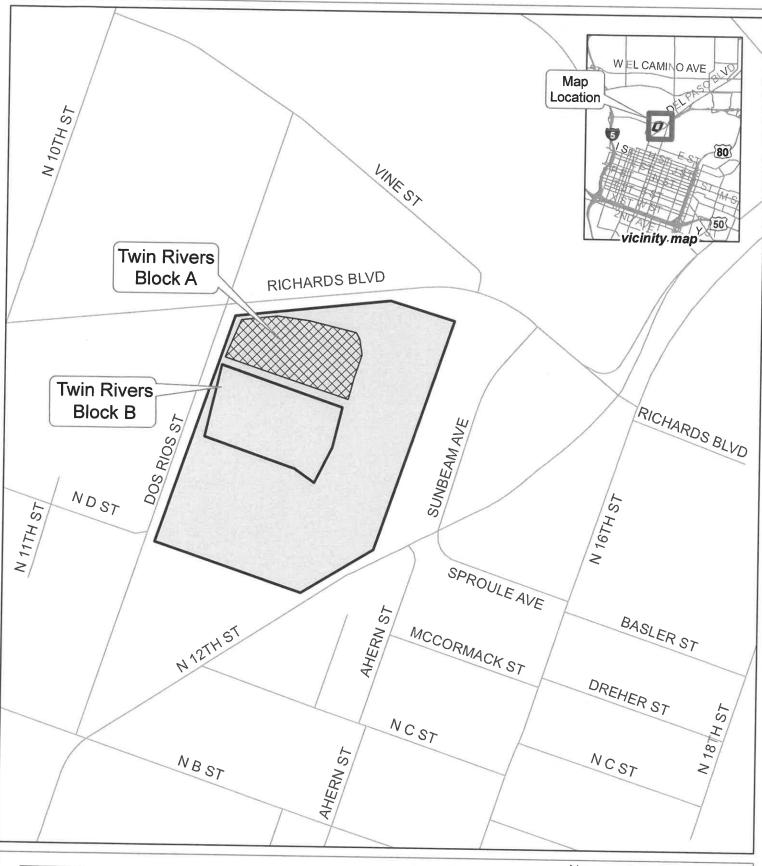
Figure 2-4
Conceptual Site Plan
Updated 2019.01.04

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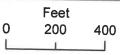
SCALE IN FEET



Twin Rivers Block A and Block B



Twin Rivers





SHRA GIS March 12, 2019 Twin Rivers - Block B Project Summary

Address	_	Project Su				
Address Number of Units			321 Eliza S	treet Sacram	ento, CA 958	111
Construction Type				66		
Affordability	4			New Constru		
Allordability		40 units at or	below 30%	of AMI (PBV	Public Housin	ng Replacement)
	1		13 LIHTC L	ınits at or be	low 60% of Al	MI
				at or below		
	+			1 Manager's		
Unit Mix and Rents			PBV	LIHTC	LIHTC	Manager
1 Bedroom / 1 Bath					(80% AMI)	Manager
2 Bedroom / 1 Bath			10	7	7	
3 bedroom / 2 Bath			19	6	5	1
3 Townhouse / 2.5 Bath			4 6	0	0	
4 bedroom / 2 Bath			1	0	0	
TOTAL	11.			0	0	
Square Footage	+		40 Dan (//n/4	13	12	1
1 Bedroom / 1 Bath			<u>Per Unit</u> 567	<u>Total</u>		
2 Bedroom / 1 Bath	1		790	13,608	square feet	
3 bedroom / 2 Bath			1,089	24,490	square feet	
3 Townhouse / 2.5 Bath			1,228	4,356	square feet	
4 bedroom / 2 Bath			1,220	7,368 1,293	square feet square feet	
Common Areas			1,200	13,324	square feet	
TOTAL	\vdash					
Resident Facilities	-	esidents will have	access the	64,439	square feet	ng lots which include
	```	a community nark	manageme	nt offices ro	eignbornoogi	ing lots which include uity space, a fitness
	`	a community park	center swir	nming pool s	ind BBQ area	uity space, a titness
Permanent Sources	⊢		0011101, 34411	mining poor a		
- Ormanont Oddiocs	1	Current Total		Danllait		D 0 =
Conject and				Per Unit		Per Sg Ft
Senior Lender CNI HACOS	1.7	4,908,540		\$ 74,372		\$ 76.17
HACOS Infrastructure Note		5,469,423		\$ 82,870		\$ 84.88
MHP		2,508,314 6,143,345		\$ 38,005		\$ 38.93
Tax Credit Equity		11,647,000		\$ 93,081 \$ 176,470		\$ 95.34
Capitalized Ground Lease	\$	14,400		\$ 176,470 \$ 218		\$ 180.74
Deferred Developer Fee		- 1,100		\$ -		\$ 0.22 \$ -
TOTAL SOURCES		30,691,022		\$ 465,015		\$ 476.28
Permanent Uses				+ .00,010		Ψ 170.20
Ground Lease		16,000		\$ 242		\$ 0.25
Construction	\$	21,109,533		\$ 319,841		\$ 327.59
Permits		306,101		\$ 4,638		\$ 4.75
Architecture and Engineering	\$	1,446,529		\$ 21,917		\$ 22.45
Soft Cost Contingency	\$	327,757		\$ 4,966		\$ 5.09
Hard Cost Contingency		1,836,606		\$ 27,827		\$ 28.50
First Mortgage Interest		757,000		\$ 11,470		\$ 11.75
Legal		300,000		\$ 4,545		\$ 4.66
Financing Costs Operating Reserves		670,423		\$ 10,158		\$ 10.40
Developer Fee	\$	227,114		\$ 3,441		\$ 3.52
Insurance, Third Party, Marketing, Other	\$	2,500,000		\$ 37,879		\$ 38.80
TOTAL USES		1,193,959 30,691,022		\$ 18,090		\$ 18.53
Management / Operations	Ψ	30,031,022		\$ 465,015		\$ 476.28
Proposed Developer:			14-0	I-B		
Property Management Company:				mack Baron		
	\$	342,428		ck Baron Ma	ınagement	
Taxes:	\$	342,428		5,188 5 -		
Security:	\$	14,850		5 - 5 225		
Property Management		57,707		874		
Resident Services:	\$	83,683	,			
Replacement Reserves:		39,600				- 1
TOTAL		538,268		8,156		

# **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

#### May 15, 2019

TWIN RIVERS TRANSIT ORIENTED DEVELOPMENT AND LIGHT RAIL STATION PROJECT (PROJECT): AUTHORIZING A LOAN COMMITMENT IN THE AMOUNT OF \$5,500,000 OF CHOICE NEIGHBORHOODS IMPLEMENTATION GRANT FUNDS TO TWIN RIVERS PHASE 2, L.P.; EXECUTION OF COMMITMENT LETTER; AUTHORIZING THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (AGENCY) TO APPLY TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR A MULTIFAMILY HOUSING PROGRAM (MHP) LOAN(S) IN AN AMOUNT UP TO \$16,000,000 TOTAL FOR BLOCKS A AND B MULTIFAMILY HOUSING CONSTRUCTION AND EXECUTE RELATED DOCUMENTS; ENVIRONMENTAL FINDINGS

WHEREAS, The Executive Director, or designee, is authorized to amend the Agency budget to transfer \$5,500,000 in Choice Neighborhoods Initiative funds to Twin Rivers Phase 2, L.P.; and

WHEREAS, The California Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability (NOFA) dated May 2019, under the Multifamily Housing Program (MHP), as established by Health and Safety Code Division 31, Part 2 and HCD is authorized to approve funding allocations for the MHP Program;

WHEREAS, the Agency is the designated Project Manager and McCormack Baron Salazar Inc. is the designated developer and Housing Lead for the Twin Rivers Transit Oriented Development and Light Rail Station Project (Project); and

WHEREAS, A combined Initial Study/Environmental Assessment was prepared for the Twin Rivers Transit-Oriented Development Project pursuant to California Environmental Quality Act (CEQA) requirements under 14 California Code of Regulations §15070 of the, and National Environmental Policy Act (NEPA) requirements under 24 Code of Federal Regulations (CFR) §58.36. A Finding of No Significant Impact (FONSI) pursuant to NEPA and a Notice of Determination (NOD) pursuant to CEQA have been filed for the project; no further environmental review is required for the proposed actions.

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

Section 1. Subject to approval by the City Council, the Loan Commitment attached to and incorporated in this resolution by this reference for the financing Twin Rivers Block B (Loan Commitment) is approved and the Executive Director, or designee, is authorized to execute the Loan Commitment and related documents and perform other actions necessary to fulfill the intent of repayment of funds, including without limitation, subordination, extensions, and restricting of payments, all as approved by agency counsel and to transmit to Twin Rivers Phase 2, L.P. (McCormack Baron Salazar, Inc.) or related entity.

Section 2. In response to the HCD NOFA, Developer/Applicant is authorized to submit two applications to HCD to participate in the MHP program for an allocation of funds not to exceed Sixteen Million Dollars (\$16,000,000) total, for the construction of new multifamily rental housing for eligible households located in Block A and Block B of the Project located in the City of Sacramento.

Section 3. If the application for funding is approved by HCD, the Developer/Applicant agrees to use the MHP funds for eligible activities in the manner presented in its application as approved by HCD in accordance with MHP statutes and regulations cited above. The Developer/Applicant may also execute a standard agreement, any amendments thereto, and all other documents or instruments necessary or required by HCD.

		CHAIR
ATTEST:		
	CLERK	





Sacramento Housing and Redevelopment Commission Sacramento, CA

Honorable Members in Session:

### SUBJECT:

Approval of Funding, Administrative Services Agreement, and Related actions for the Capitol Park Hotel Temporary Shelter Project

### **SUMMARY**

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

## RECOMMENDATION

Staff recommends approval of the recommendation outlined in the attached report.

Respectfully submitted,

**Executive Director** 

Attachment



# REPORT TO CITY COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2671 www.CityofSacramento.org

**June 4, 2019** 

Honorable Mayor and Members of the City Council

Title: Approval of Funding, Administrative Services Agreement and Related Actions for the Capitol Park Hotel Temporary Shelter Project

Location/Council District: 1117, 1121, 1125, 1127, 1129 and 1131 9th Street, District 4

#### Recommendation:

1) Pass a Motion by two-thirds vote waiving Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandating that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action; and 2) adopt a City Council Resolution: a) approving the Administrative Services Agreement in the amount not-to-exceed \$9.86 million between the City and the Sacramento Housing and Redevelopment Agency (SHRA) for the oversight of property management and the oversight of the operations and re-housing activities of a temporary homeless shelter at the Capitol Park Hotel; b) authorizing the City Manager, or designee, to enter into the Administrative Services Agreement with SHRA; c) approving an amendment to the SHRA budget in the amount of \$9.86 million; d) authorizing SHRA to enter into the Administrative Services Agreement with the City and to enter into maintenance/repair, security and other contracts for the purpose of operating the temporary homeless shelter at Capitol Park Hotel; e) authorizing SHRA to enter into and execute a sole source contract with the selected shelter operator on behalf of the City; f) authorizing SHRA to enter into and execute a sole source property management agreement with a qualified property management company to manage Capitol Park Hotel; g) authorizing the City Manager, or designee, to pay Mercy Housing California (Mercy Housing) the full amount of the lease payments of \$112,500; h) authorizing the City Manager, or designee, to modify the insurance requirements in the Council approved \$13.37 million loan agreement between the City and SHRA; i) authorizing SHRA to modify the maturity, insurance requirements and special provision

terms in the Council approved \$13.37 million loan agreement between SHRA and Mercy Housing; and j) related findings.

Contact: Christine Weichert, Assistant Director, (916) 440-1353, Sacramento Housing and Redevelopment Agency

Presenter: None

#### **Attachments:**

- 1-Description/Analysis and Background
- 2-Capitol Park Hotel Temporary Shelter Vicinity Map
- 3-Capitol Park Hotel Temporary Shelter Photo
- 4-City Council Resolution
- 5-Exhibit A to Resolution (City and SHRA Administrative Services Agreement)

### **Description/Analysis**

**Issue Detail:** The Capitol Park Hotel was built in 1912 and is currently operating as a 180-unit single room occupancy (SRO) residential hotel in downtown Sacramento at 1125 9th Street, corner of 9th and L Streets, (the "Property"). The Property currently has a vacancy rate of approximately 50%. The current owner is in contract to sell the Property to Mercy Housing California, or related entity (Mercy Housing).

On April 23, 2019, the City Council approved the Homeless Services Funding Plan, which included \$10.16 million in Measure U funds to operate a temporary homeless shelter at the Property for approximately 18 months. The City Council also approved the funding of \$112,500 for an 18 month lease between the City and Mercy Housing, and the funding appropriation of \$13.37 million in Innovation and Growth Program fund for the acquisition of the Property and relocation costs associated with the existing residents of Capitol Park Hotel. Additionally, the City Council directed SHRA to bring back loan agreements with the City, SHRA and Mercy Housing for the \$13.37 million loan for the acquisition of the Property and relocation expenses, to be repaid within 18-36 months to provide time to secure financing for the Capital Park Hotel Rehabilitation and Housing Project, and an administrative services agreement between the City and SHRA to fund the cost of repairs to the property, property management, a shelter operator and related services for the temporary homeless shelter program.

On April 30, 2019, the City Council approved the two loan agreements and associated documents related to the Property – one agreement is between the City and SHRA, and one is between SHRA and Mercy Housing for the purpose of providing \$13.37 million in Innovation and Growth Program funds to finance the acquisition of the Property and costs associated with relocating the existing residents of Capitol Park Hotel.

This report requests that Council approve the Administrative Services Agreement between the City and SHRA in the amount not-to-exceed \$9.86 million to fund the cost of repairs to the Property, property management, shelter operations, re-housing services, and oversight by SHRA of these activities. Additionally, this report requests Council to approve authorization for the City Manager, or designee, to waive the "All Risk" insurance requirement in the Council approved \$13.37 million loan agreement between the City and SHRA; and, for SHRA to modify the insurance, maturity date and special provision terms in the Council approved \$13.37 million loan agreement between SHRA and Mercy Housing. Specifically, SHRA will waive the "All Risk" insurance requirement; reduce the maturity term from 36 months to 18 months with the option to extend up to 36 months by written mutual agreement; and in the event Mercy Housing were to transfer the Property to SHRA, SHRA will indemnify and hold Mercy Housing harmless from the condition of the Property.

The following chart details costs associated with the Capitol Park Hotel included in the Council approved Homeless Services Funding Plan on April 23, 2019.

**Capitol Park Hotel Temporary Shelter Expenses** 

Capitol Falk Hotel Temporary Shelter Expenses			
Description of Expenses		Amount	
Development of a Shelter Operational Plan and Administration of Temporary Shelter	\$	250,000	
Property Management	\$	300,000	
Repairs to address deferred maintenance	\$	400,000	
Temporary Shelter Operations, Rehousing	\$	8,100,000	
and Facility Maintenance		,,	
Oversight of Temporary Shelter and Property Management	\$	810,000	
Subtotal Administrative Services Agreement Expenses		9,860,000	
Police Overtime (community mitigation)	\$	300,000	
Total Expenses	\$	10,160,000	

Upon City Council approval of the Administrative Services Agreement, SHRA will take action to arrange for use of the Capitol Park Hotel to provide temporary shelter for up to 180 homeless persons for approximately 18 months. The operation will include a community room, offices and storage space. Currently there are 140 units with private bathrooms available to the shelter's guests. Shelter guests in the remaining 40 rooms will have access to a common bathroom. This facility does not have individual kitchens or a community kitchen; however, there is a designated area to microwave food in the lobby/common area. The temporary shelter is anticipated to open in the summer of 2019.

Due to the age of the building and the lack of maintenance, there may be failures of the building systems (e.g., plumbing, electrical, HVAC, elevators), roofing, and other portions of the Property which could be too expensive to repair on a temporary basis.

Due to the condition of the Property, purchasing insurance policies to repair and replace the building in the event of a system failure or a casualty is prohibitively expensive. That is why the "All Risk" insurance obligation is being waived under the loan agreements. Under the terms of the lease with Mercy, the City is not obligated to undertake repairs and can terminate the lease early if the building becomes inhabitable. However, the City has to assume liability for any injuries caused by the building conditions while the shelter is in operation.

If the Property becomes unsuitable for habitation, the shelter operation would need to close and all tenants relocated. In that event, Mercy Housing still expects to be paid for its holding costs until the end of October 2020, when financing for the rehabilitation project is expected to be secured. The lease with Mercy Housing will provide that if the City terminates the lease early, the City nonetheless must pay the full \$112,500.

**Policy Considerations:** The actions recommended in this report are consistent with the Homeless Services Funding Plan approved by Council on April 23, 2019. The operations of the Capitol Park Hotel temporary shelter will also be developed to be consistent with the October 16, 2018 City policy on emergency shelters.

The Sacramento City Code Section 4.04.020 and Council Rules of Procedure (Chapter 7, Section E.2.d) mandate that unless waived by a 2/3 vote of the City Council, all labor agreements and all agreements greater than \$1,000,000 shall be made available to the public at least ten (10) days prior to council action. Staff is recommending waiving this requirement.

Economic Impacts: None.

#### **Environmental Considerations:**

California Environmental Quality Act (CEQA): The proposed actions are exempt under the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) §Section 15301.

National Environmental Policy Act (NEPA): There is no federal action and therefore NEPA review is not required.

Sustainability Considerations: Not applicable.

**Commission Action:** On June 5, 2019, it is anticipated that the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Council in the event this does not occur.

Rationale for Recommendation: The numbers of people living and dying unsheltered in Sacramento is on the rise, and there are not sufficient shelter beds to meet the need. The United States Interagency Council on Homelessness recommends that "Shelters must be low barrier, focus on assessment and triage, and intentionally link to permanent housing resources so that people move through to housing quickly". The Council made a significant commitment through the FY2018/19 Midyear Budget to address these critical needs, and staff has worked to prioritize those projects which can be expedited. SHRA's significant experience in providing housing and services to people in need throughout Sacramento County makes them a natural partner to help the City in meeting its commitments to providing shelter and re-housing for people experiencing homelessness in Sacramento.

Financial Considerations: Staff is recommending a funding plan of \$10.16 million (Measure U Fund, Fund 2401) as outlined in the Homeless Services Funding Plan. These funds will be used for: costs related to developing a shelter operational plan, administration of temporary shelter operations, management of the Property, repairs needed to immediately address deferred maintenance, operations of a temporary shelter, oversight of the temporary shelter, re-housing activities, facility maintenance and providing necessary police presence to mitigate any impacts of the shelter in the surrounding community. Sufficient funds are available in the Homeless Housing Initiative Program (I02000200).

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

Respectfully Submitted by

A SHELLE DOZIER
Executive Director

#### **Attachments**

01-Description/Analysis and Background

02-Capitol Park Hotel Temporary Shelter Vicinity Map

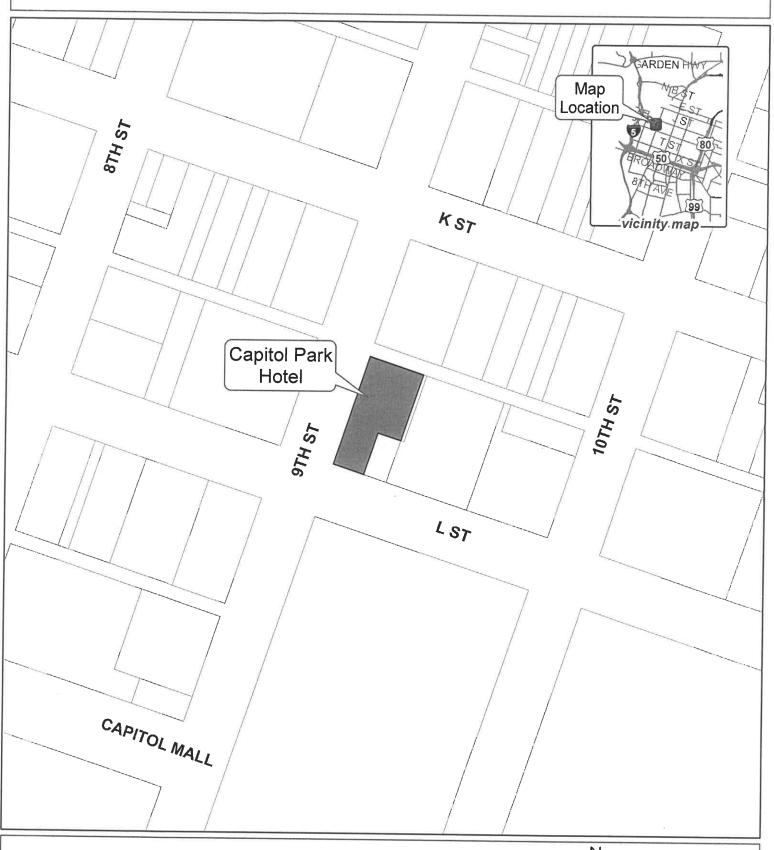
03-Capitol Park Hotel Temporary Shelter Photo

04-City Council Operations Resolution

05-Exhibit A to Resolution (City and SHRA Administrative Services Agreement)

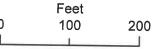


# Capitol Park Hotel Temporary Shelter





Capitol Park Hotel

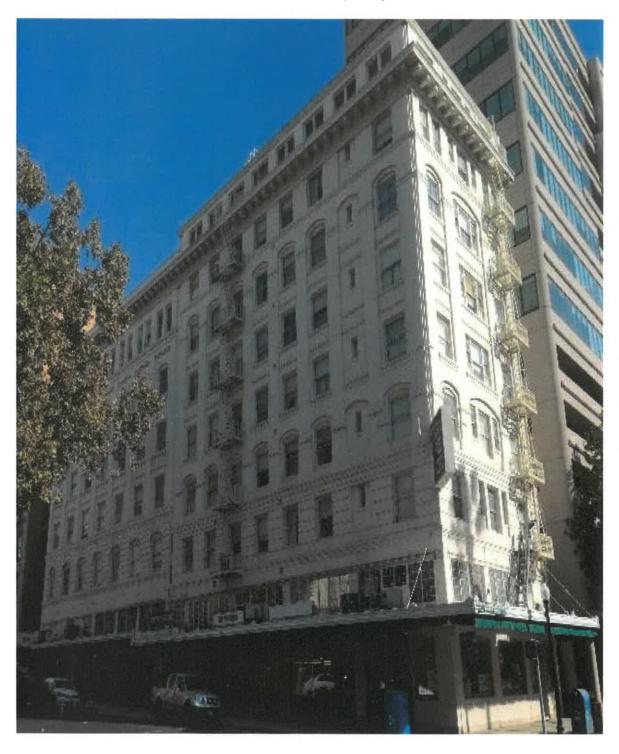




SHRA GIS May 1, 2019

# Attachment 3

# Capitol Park Hotel Temporary Shelter



# **RESOLUTION NO. 2019 -**

## Adopted by the Sacramento City Council

CAPITOL PARK HOTEL TEMPORARY SHELTER: APPROVING THE ADMINISTRATIVE SERVICES AGREEMENT WITH THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) AND RELATED ACTIONS FOR THE PURPOSE OPERATING A TEMPORARY HOMELESS SHELTER AT CAPITOL PARK HOTEL

#### BACKGROUND

- A. The Capitol Park Hotel is currently operating as a 180-unit single room occupancy residential hotel located downtown at 1125 9th Street. Since 2006, Capitol Park has been subject to the City of Sacramento (City) Code Chapter 18.20, Relocation Benefits Pertaining to Residential Hotel Unit Conversion or Demolition.
- B. Mercy Housing California (Mercy Housing) entered into a purchase and sale agreement with RAH Partnership, L.P., on October 5, 2018 for the Capitol Park Hotel located at 1117, 1121, 1125, 1127, 1129 and 1131 9th Street in Sacramento (the "Property"). This agreement was amended on January 11, 2019 to extend its terms and escrow is expected to close in June. Mercy Housing is planning on rehabilitating the Property as permanent supportive housing if financing can be secured, which is expected to take between 18 and 36 months.
- C. The City desires to utilize the Property as a temporary homeless shelter for approximately 18 months. The City's desired use of the Property as a temporary homeless shelter does not constitute a unit conversion or demolition of Capitol Park Hotel.
- D. On April 23, 2019, the City Council approved the Homeless Services Funding Plan, which included allocation of \$10.16 million in Measure U funds to operate the temporary homeless shelter at the Capitol Park Hotel for approximately 18 months. Of this amount, \$9.86 million is to be transferred to SHRA for the shelter program which includes making repairs to address deferred maintenance (\$400,000), shelter operations, including re-housing and facility maintenance (\$8,100,000), interim property management (\$300,000), staffing (\$250,000), and staffing oversight (\$810,000).
- E. On April 23, 2019, the City Council delegated authority to the City Manager to enter into a lease agreement with Mercy Housing at a cost of \$112,500 for approximately 18 months, which would fund Mercy's holding costs for the purpose of operating a temporary homeless shelter at the Capitol Park Hotel.

- F. On April 23, 2019, the City Council approved the funding appropriation of \$13.37 million in Homeless Housing Initiative Program fund for Mercy Housing's acquisition of the Property and costs associated with relocating the existing residents of Capitol Park Hotel.
- G. On April 30, 2019, the City Council approved two loan agreements and associated documents related to the Property one agreement is between the City and SHRA, and one is between SHRA and Mercy Housing for the purpose of providing \$13.37 million in Homeless Housing Initiative Program funds to finance the acquisition of the Property and costs associated with relocating the existing residents of Capitol Park Hotel.
- H. The proposed actions are exempt under the California Environmental Quality Act pursuant to 14 California Code of Regulations §Section 15301.

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

- Section 1. All of the evidence having been duly considered, the facts as presented and stated above, including the environmental facts and findings, as stated above, are found to be true and correct.
- Section 2. The Administrative Services Agreement in the amount not-to-exceed \$9.86 million between the City and the Sacramento Housing and Redevelopment Agency (SHRA) for the oversight of property management and the oversight of the operations and re-housing activities of a temporary homeless shelter at the Capitol Park Hotel is approved.
- Section 3. The City Manager, or designee, is authorized to enter into and execute the Administrative Services Agreement in the amount not to exceed \$9.86 million with SHRA for the purpose of funding the temporary homeless shelter operation at Capitol Park Hotel for approximately 18 months in accordance with the program budget as set forth in the Administrative Services Agreement.
- Section 4. The amendment to the SHRA budget in the amount of \$9.86 million in Measure U Funds for the purpose of funding the costs for the temporary homeless shelter operation at Capitol Park Hotel is approved.
- Section 5. SHRA is authorized to enter into and execute the Administrative Services Agreement with City and to enter into and execute maintenance/repair, security, and other contracts and related documents, in a form approved by Agency Counsel, for the purpose of operating the temporary homeless shelter at Capitol Park Hotel.
- Section 6. SHRA is authorized to enter into and execute a sole source contract and related documents with a shelter operator, in a form approved by Agency Counsel, for the purpose of operating a temporary homeless shelter at Capitol Park Hotel for approximately 18 months.

- Section 7. SHRA is authorized to enter into and execute a sole source property management agreement and related documents with a qualified property management company in a form approved by Agency Counsel, to manage the existing tenants at the Property until they are relocated by Mercy Housing.
- Section 8. The City Manager, or his designee, is authorized to pay Mercy Housing the full amount of the lease payments of \$112,500 for Mercy Housing holding costs even if the temporary homeless shelter operation has to close prematurely due to the condition of the Property.
- Section 9. The City Manager, or his designee, is authorized to waive the "All Risk" insurance requirement in the Council approved \$13.37 million loan agreement between the City and SHRA.
- Section 10. SHRA is authorized to modify the following terms in the Council approved \$13.37 million loan agreement between SHRA and Mercy Housing:
  - a. Reduce the maturity term from 36 months to 18 months with the option to extend up to 36 months by written mutual agreement; and
  - b. Waive the "All Risk" insurance requirement; and
  - c. Indemnify and hold Mercy Housing harmless from the condition of the Property, if any, in the event Mercy Housing were to transfer the Property to SHRA.

#### **Table of Contents**

Exhibit A - City and SHRA Administrative Services Agreement

# ADMINISTRATIVE SERVICES AGREEMENT FOR CAPITOL PARK HOTEL TEMPORARY HOMELESS SHELTER PROGRAM

This Administrative Services Agreement ("Agreement") is entered into this ______day of 2019, by and between the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY, a joint powers authority ("SHRA") and the CITY OF SACRAMENTO, a municipal corporation ("CITY"), which are also referred to herein collectively as "Parties" or singularly as "Party," who agree as follows:

- 1. Services. Subject to the terms and conditions set forth in this Agreement, SHRA shall provide to CITY the services described in Exhibit A. SHRA shall not be compensated for services outside the scope of Exhibit A ("Additional Services") unless prior to the commencement of such services: (a) SHRA notifies CITY in writing and CITY agrees that such services are outside the scope of Exhibit A; (b) SHRA documents the additional compensation required for these additional services; (c) CITY, after receipt of such notice, approves in writing the Additional Services and amount of additional compensation; and (d) this Agreement is amended to include the Additional Services and compensation.
- **2. Payment.** CITY shall pay SHRA for services rendered pursuant to this Agreement as set forth in Exhibit B, unless pursuant to Paragraph 1, above, CITY approves compensation for Additional Services. SHRA shall submit verification of all billings for said services to CITY in the manner specified in Exhibit B.
- **3.** Facilities, Supplies and Equipment. SHRA, except as otherwise stated herein, shall at its sole cost and expense furnish all facilities, supplies and equipment, which may be required for furnishing services pursuant to this Agreement.
- **4. General Provisions.** The general provisions set forth in Exhibit C are part of this Agreement. In the event of any conflict between the general provisions and any other terms or conditions of this Agreement, such other terms or conditions shall control over the general provisions.
- **5. Authority.** Each of the signatories to this Agreement represent that he or she is authorized to sign the Agreement on behalf of such Party, all approvals and consents which must be obtained to bind such Party have been obtained, and no further approvals, acts or consents are required to bind such Party to this Agreement.
- **6. Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

[signature page follows]

Executed as of the day and year first above stated.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

## **CITY OF SACRAMENTO**

By:	Ву:
La Shelle Dozier	Christopher Conlin,
Executive Director	Assistant City Manager
APPROVED AS TO FORM:	APPROVED AS TO FORM:
Ву:	Ву:
Agency Counsel	Senior Deputy City Attorney
	ATTEST:
	ATTEST.
	Ву:
	Assistant City Clerk

Attachments:

Exhibit A - Scope of Services
Exhibit B - Fee Schedule / Manner of Payment
Exhibit C - General Provisions

#### **EXHIBIT A**

#### **SCOPE OF SERVICES**

#### 1. Representatives.

SHRA Representative for this Agreement is:

Christine Weichert
Assistant Director
Sacramento Housing and Redevelopment Agency
801 12th Street
Sacramento, CA 95814
(916) 440-1353
cweichert@shra.org

All CITY questions pertaining to this Agreement will be referred to the SHRA Representative as set forth above. All correspondence to SHRA shall be sent to the address set forth above.

CITY Representative for this Agreement is:

Emily Halcon
Homeless Services Coordinator
City of Sacramento
Office of the City Manager
915 I Street, 5th Floor
Sacramento CA 95814
(916) 808-7896
ehalcon@cityofsacramento.org

All SHRA questions pertaining to this Agreement will be referred to the City Representative as set forth above. All correspondence to CITY shall be sent to the address set forth above.

### 2. Scope of Work.

- **a. Term:** This Agreement shall be for the period commencing on June 1, 2019 and ending on December 31, 2020, unless extending by mutual agreement of the Parties.
- **b.** Services to be provided by SHRA: SHRA agrees to provide all services necessary for the oversight of property management and the oversight of the operation of a temporary homeless shelter at the Capitol Park Hotel located at 1117, 1121, 1125, 1127, 1129, and 1131 9th Street (the "Property"). Services will include the following:

#### I. Budget:

- Develop an overall project budget considering expected occupancy, including ramp up and ramp down, and costs associated with the following shelter components:
  - Property repairs (to allow occupancy/operations as a shelter)
  - Facility maintenance (during shelter operations)
  - Oversight of Property management
  - Oversight of Shelter operations
  - Oversight of Re-housing

All the contracts to be managed and overseen must align with the overall project budget. Any changes to the maximum not to exceed amounts set forth in Exhibit B will require an amendment to this Agreement.

#### II. Property Repairs:

 Subject to the compensation limitation, contract with contractors to undertake necessary repairs to the Property so it is habitable as a temporary homeless shelter. SHRA will contract for work as may be needed to open the shelter as soon as possible.

#### **III. Property Management:**

 Subject to the compensation limitation, oversee the management of the Property while the current tenants remain in possession of their units until relocated. It is anticipated that most of the current tenants will be relocated by Mercy within three months from the date that the Property is sold to Mercy. Property management may be provided by a third party contractor.

#### IV. Equipment and Furniture:

• Either purchase or rent, and/or arrange for the shelter operator to provide, all equipment and furniture needed for operation of the shelter and make selections based on cost efficiencies and program term.

#### V. Shelter Operations:

- Develop written protocols and processes for selection of persons experiencing homelessness who are currently unsheltered to be eligible for services at the Property. The intent is to serve the selected population(s) with as few barriers to access and receipt of services as possible, considering the limitations of the property. The parties intend that the shelter will accommodate at least 100 persons on a daily basis. In developing the preferred population(s), SHRA should consider input from:
  - CITY homeless services division
  - CITY Police Department
  - Property Based Improvement Districts (PBIDs)
  - Community outreach navigators
  - o The general public

- Develop written protocols and processes for the "front door" intake services to assess persons eligible for shelter services. The "front door" can be operated either by the shelter operator or a separate contractor. The "front door" must include clear written policies and operational procedures to ensure:
  - Consistent and objective selection of guests
  - Standardized assessment and referral tools and processes
  - Processes for managing referrals among multiple referral partners (if applicable) and for selecting among potential guests when space is limited
  - Processes for the shelter operator on receiving, responding to and accepting a referral
  - Clear standards for denial of a referral and process for consideration of any referral refused
- Develop shelter operational guidelines, to include all expected services to be
  provided by the shelter operator, how the shelter operator is to coordinate with
  other community service providers (e.g. "front door" operator, medical services,
  legal services, etc.), and enforcement of the shelter rules including process for
  removal of non-compliant guests. Shelter operational guidelines must include
  considerations for:
  - Shelter operations
  - o Intake, admissions and discharge
  - Guest's rights, responsibilities, and grievance process
  - Shelter staff standards and training
  - o Data collection and reporting
  - Service coordination
- Select a contractor to provide services to manage the intake and oversee the use
  of the Property as a homeless shelter. CITY will support SHRA in this selection by
  reviewing and providing input of potential operators.
- Develop a re-housing program for shelter guests, either with the selected shelter operator or with another community partner. The shelter re-housing program should include specific housing support services (landlord engagement, housing support services, etc.) as well as a flexible housing fund to offer financial support as needed to subsidize rent payments, pay deposits, etc. The program should be developed in coordination with subsidized community housing programs (e.g., CoC, HCVs, etc.), but, recognizing the limited capacity of these programs, the intention of the re-housing services is to provide support and funding separate from subsidized programs. Re-housing services may also need to be available after closing of the shelter to accommodate guests leaving at the close of the shelter but in need of re-housing support after the close of the shelter.

- Make arrangements for security of the Property by shelter operator or other
  personnel to mitigate loitering outside of the Property by shelter residents and
  persons who are not eligible for entry into the shelter.
- Monitor shelter operations on a daily basis and ensure issues and complaints are responded to promptly, including after-hours. Coordinate with the Police Department on addressing any incidents that required police assistance for implementing any prevention recommendations.
- Develop and manage a procedure for public access to the shelter. This procedure
  must prioritize client privacy and safety, and have clear guidelines regarding
  access to the shelter for media, elected officials, other service organizations, and
  the general public.
- Develop a community messaging and engagement plan including (i) updating community organizations serving the homeless population about referral into and services provided at the shelter, including any opportunities to partner; (ii) working with the CITY, Sacramento Downtown Partnership and other community groups, (iii) attending shelter advisory committee and community meetings, and (iv) responding to press inquiries.

#### VI. Staffing:

Hire or assign one full time person to serve as SHRA's Homeless Services
 Coordinator to manage the development of shelter policies and protocols,
 oversee all contracts and accounting services for the homeless shelter program
 at the Property, attend all meetings, and provide all the necessary services for
 the program that are not under contract as described above.

#### VII. Reporting:

- Work with Sacramento Steps Forward and use the HMIS system to collect data on the homeless population served at the shelter.
- Work with other community partners (Police, PBIDs, 311, etc.) to determine other data needs, collect and compile the data.
- Prepare monthly reports on the number of persons served at the shelter, the number of persons who entered and exited the shelter, the number of persons who obtained temporary or permanent housing, the number of persons who obtained employment, and other relevant data, and make this available publicly
- Prepare quarterly reports on the costs of operating the shelter.
- Provide shelter operations and cost data as requested by CITY and Mayor and Council Offices
- Prepare staff reports and attend City Council meetings regarding reporting on progress of establishing and operating the shelter as needed.
- Respond to media requests for shelter operations and cost data.

 Prepare a comprehensive report that is due within 30 days after shelter closure which documents all of the costs incurred, the homeless population served, the incidents that occurred and how they were addressed and mitigated, and recommendations for future operations of homeless shelters.

### VIII. Ramp Down Plan:

Prepare a plan for closing the shelter operation at least six months before the
planned closure date. Plan to address (i) in coordination with shelter operator
prepare exit plans for all shelter occupants with priority for mentally and
physically disabled and seniors, (ii) measures to mitigate community impacts
from shelter closure, and (iii) communications plan to inform the press and
public about the shelter closure. Share plan with CITY prior to beginning ramp
down.

#### **EXHIBIT B**

#### **FEE SCHEDULE / MANNER OF PAYMENT**

The total amount to be paid by CITY to SHRA shall not exceed \$9,860,000 for the following services:

#### 1. Compensation for SHRA Staffing.

CITY shall pay SHRA the amount of \$1,060,000 for all of the SHRA staff costs incurred during the term of this Agreement for managing the shelter program in accordance with the Scope of Services. This cost includes \$250,000 for a full time management analyst for an 18 month period. SHRA shall provide CITY with monthly billing statements showing the hours worked and work performed by SHRA staff and 10% allocation for overhead and risks associated with SHRA's management of the shelter program. CITY will make monthly payments.

#### 2. Compensation for Property Repairs:

CITY shall pay SHRA an amount not to exceed \$400,000 for the costs of necessary repairs to the Property to make it habitable for use as a temporary homeless shelter. CITY will make payment in advance within 30 days from receipt of a copy of the repair contract(s), SHRA maintenance staff repair invoices, and SHRA's invoice in the total amount of the contract(s) and work to be performed. If the costs for the actual repairs made is less than the budgeted amount, SHRA pay CITY the difference within 30 days after the shelter closes.

#### 3. Compensation for Property Management:

CITY shall pay SHRA an amount not to exceed \$300,000 for the costs of management of the Property until all of the existing tenants are relocated. Property may include short-term leases between the property manager and the residential and commercial tenants, as necessary. CITY will make payment in advance within 30 days from receipt of a copy of the property management contract (if any), and SHRA's invoice. If the costs for the property management is less than the budgeted amount, SHRA pay CITY the difference within 30 days after the property management work ceases.

#### 4. Compensation for Shelter Operations:

CITY shall pay SHRA an amount not to exceed \$8,100,000 for the costs of the shelter operations, facility maintenance and re-housing for an 18 month period. CITY will make payment in advance within 30 days from receipt of a copy of the shelter operator contract and SHRA's invoice. If the shelter is not operated for the full 18 month term, SHRA shall reimburse CITY for the amount that is not paid out to third parties for shelter operations.

#### **EXHIBIT C**

#### **GENERAL PROVISIONS**

- 1. No Joint Venture. This Agreement does not create a joint venture, partnership, or any other legal relationship of association among the Parties. Each Party is an independent legal entity and is not acting as an agent of the other Party in any respect.
- 2. No Agency. Except as CITY may specify in writing, SHRA and SHRA's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. SHRA and its personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever unless specifically authorized in writing by CITY to act on its behalf.

#### 3. Independent Contractor.

- A. It is understood and agreed that CITY and SHRA are independent contractors and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. CITY is not required to make any deductions or withholdings for employee taxes or benefits from the compensation payable to SHRA under the provisions of this Agreement. As an independent contractor, SHRA agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of SHRA's employees or employees of any third party contractor hired by SHRA, that an employer-employee relationship or a substitute therefore exists between the Parties for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.
- B. It is further understood and agreed by the Parties that SHRA, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished by the services agreed to be rendered and performed under this Agreement, but not as to the means, methods, or sequence used by SHRA for accomplishing such results.
- C. If, in the performance of this Agreement, any third persons are employed by SHRA, such persons shall be entirely and exclusively under the direction, supervision, and control of SHRA. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by SHRA.

- D. Nothing in this Agreement shall be construed as to create an exclusive relationship between SHRA and CITY for the services to be provided. SHRA and CITY may each independently represent, perform services for, or be employed by such additional persons or companies as each Party sees fit, provided that there is no conflict with the performance of services or the obligations of the Parties hereunder.
- **4. Standard of Performance**. If SHRA assigns employees or contractors to perform services under this Agreement, SHRA shall assign only competent personnel to perform said services pursuant to this Agreement.
- 5. Time. SHRA shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of SHRA's obligations under this Agreement. Neither Party shall be considered in default of this Agreement, nor be entitled to additional compensation, to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.
- **6. Assignment Prohibited.** SHRA may assign any right or obligation pursuant to this Agreement. Any attempt or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.
- 7. Termination. CITY and SHRA shall have the right to terminate this Agreement at any time by giving not less than thirty (30) days' notice of such termination to the other party. If CITY gives such notice of termination, SHRA shall immediately cease rendering services pursuant to this Agreement and shall cancel all contracts with third parties providing services for SHRA pursuant to this Agreement.
- 8. Indemnity. SHRA shall indemnify, defend and hold harmless CITY, its officers and employees from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "liabilities"), to which any or all of them may be subjected, for death, personal injury or damage to real or personal property resulting from any negligent act or omission or willful misconduct of SHRA, its officers, employees, contractors or agents in connection with the performance or nonperformance of services by SHRA employees for CITY under this Agreement, whether or not CITY, its officers or employees reviewed, accepted or approved any service or work product performed or provided by SHRA employees, and whether or not such liabilities are litigated, settled or reduced to judgment.

SHRA shall, upon CITY's request, defend at SHRA's sole cost any action, claim or suit or portion thereof which asserts or alleges any such liabilities, whether well founded or not and whether or not such action, claim or suit also asserts or alleges negligent or wrongful conduct by CITY, its officers or employees, so long as the action, claim or suit alleges

negligence or misconduct by a SHRA officer or employee. If a final decision or judgment allocates liability by determining that any portion of damages awarded is attributable to the CITY's negligence or willful misconduct separate and apart from any act or omission by a SHRA officer or employee, CITY shall pay the portion of damages which is allocated to the CITY's acts, negligence or willful misconduct. As used herein, the phrase "negligence or willful misconduct" shall not include the passive negligence of the CITY, its officers or employees in reviewing, accepting or approving any service or work product performed or provided by SHRA employees.

- 9. Severability. If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- 10. Waiver. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. No waiver of any right or remedy in respect of any occurrence or event shall be deemed a waiver of any right or remedy in respect of any other occurrence or event. Failure by either Party to complain of any action or non-action on the part of the other Party or to declare the other in default, irrespective of how long such failure may continue, shall not be deemed to be a waiver of any rights hereunder.
- 11. No Third Party Beneficiaries. Nothing contained herein is intended, nor shall this Agreement be construed, as an agreement to benefit any third parties.
- 12. Ambiguities. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve its objectives and purposes. Captions on sections are provided for convenience only and shall not be deemed to limit, amend or affect the meaning of the provision to which they pertain, and shall be disregarded in the construction and interpretation of this Agreement. The Parties have each carefully reviewed this Agreement and have agreed to each term hereof. No ambiguity shall be presumed to be construed against either Party.
- 13. Entire Agreement. This document, including all Exhibits, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CITY and SHRA.

# 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

June 5, 2019

CAPITOL PARK HOTEL TEMPORARY SHELTER: AUTHORIZING THE EXECUTION OF ADMINISTRATIVE SERVICES AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; EXECUTION OF A PROPERTY MANAGEMENT AGREEMENT AND RELATED DOCUMENTS; RELATED BUDGET AMENDMENT; AND RELATED ENVIRONMENTAL AND OTHER FINDINGS

**BE IT RESOLVED** BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

- Section 1. The proposed actions are exempt under the California Environmental Quality Act pursuant to 14 California Code of Regulations §Section 15301.
- Authorizes the Executive Director, or designee, to accept \$9,860,000 from the City and amendment of the Sacramento Housing and Redevelopment Agency (SHRA) budget accordingly for the purpose of financing the costs related to developing a shelter operational plan and administering daily operations of the temporary shelter, managing the Property, making repairs to immediately address the deferred maintenance, operating a temporary shelter in Capitol Park Hotel, and performing oversight of the temporary shelter and management of 1117, 1121, 1125, 1127, 1129 and 1131 9th Street in Sacramento (Property).
- Authorizes the Executive Director, or designee, to enter into a \$9,860,000 administrative services agreement and associated documents with City of Sacramento, in a form approved by Agency Counsel, to carry out the aforementioned activities authorized in this Resolution.
- Authorizes the Executive Director, or designee, to enter into a contracts and related documents for shelter operations, including maintenance and security contracts, in a form approved by Agency Counsel, to operate a temporary shelter at Capitol Park Hotel.

Section 5.	Authorizes the Executive Director, or designee, to enter into a property management agreement and related documents with a qualified property management company, in a form approved by Agency Counsel, to manage the Property.
Section 6.	<ul> <li>Authorizes the Executive Director, or designee, to modify the following terms in the Council approved \$13.37 million loan agreement between SHRA and Mercy Housing:</li> <li>a. Reduce the maturity term from 36 months to 18 months with the option to extend up to 36 months by written mutual agreement; and</li> <li>b. Waive the "All Risk" insurance requirement; and</li> <li>c. Indemnify and hold Mercy Housing harmless from the condition of the Property, if any, in the event Mercy Housing were to transfer the Property to SHRA.</li> </ul>
	CHAIR
ATTEST:	

CLERK





Sacramento Housing and Redevelopment Commission Sacramento, CA

Honorable Members in Session:

### SUBJECT:

Authorization to submit a Section 18 Demolition and Disposition Application to the United States Department of Housing and Urban Development for County Public Housing Units

### **SUMMARY**

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

### RECOMMENDATION

Staff recommends approval of the recommendation outlined in the attached report.

Respectfully submitted,

**Executive Director** 

Attachment

# COUNTY OF SACRAMENTO CALIFORNIA

For the Agenda of: June 11, 2019

To:

Housing Authority of the County of Sacramento

Through:

Navdeep S. Gill, County Executive

From:

La Shelle Dozier, Executive Director, Sacramento Housing

and Redevelopment Agency

Subject:

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department Of Housing And Urban Development For

County Scattered Site Public Housing Units

District(s):

All

### RECOMMENDED ACTION

Adopt a Housing Authority Resolution authorizing the Executive Director to: 1) submit a Section 18 Demolition and Disposition (Section 18) application to the United States Department of Housing and Urban Development (HUD) for County of Sacramento Housing Authority Scattered Site Units, 2) submit a Tenant Protection Voucher (TPV) application to HUD, 3) execute all applicable award agreements if the Section 18 applications are approved, and 4) make related findings.

### **BACKGROUND**

In Sacramento there are currently 2712 units of public housing (1699 of which are in the City of Sacramento and 1013 which are in the County of Sacramento). The Sacramento Housing and Redevelopment Agency (SHRA) manages these public housing units, which provide housing for low- and very low income residents. However, significant issues currently affect the long-term sustainability of the County's public housing stock. Issues include: rapidly aging housing stock, lack of funding from the federal government for public housing programs over the last seventeen years, and the increase in local demand for affordable housing. Sacramento's issues are not unique. Many Public Housing Authorities (PHAs) across the nation are struggling to maintain their public housing inventories. To meet these challenges, SHRA

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department of Housing And Urban Development (HUD) Page 2

must use new and innovative approaches to preserving and maintaining the County's public housing stock.

As an initial step toward improving the viability of these assets, SHRA staff contracted with CSG Financial Services (CSG) to update the PHA Asset Repositioning Plan to evaluate the best strategy for the County's public housing portfolio. The update involved analysis and review of the physical condition of all properties via physical needs assessments, review of financial records, development of property budgets, and evaluation of historical property data. In addition, CSG reviewed available funding programs to address deferred maintenance and capital improvement needs through the HUD.

The updated Asset Repositioning Plan, approved by the county Housing Authority Board in 2018 via Housing Authority Resolution No. HA-2423, recommended that the Housing Authority convert its smaller Scattered Site properties (those with four or fewer units) from the current Public Housing Program to Project-Based Section 8 via HUD's Section 18 Demolition and Disposition Program. Conversion to this program will increase the Housing Authority's ability to stabilize its properties and address long term deferred maintenance needs while preserving long term affordability for the residents. There are 63 Scattered Site properties in the County of Sacramento. A list of those properties is included as Exhibit A.

Conversion to the Section 18 program can begin immediately upon approval from the Board and HUD as there is no specific requirement to complete upfront deferred maintenance work. In cases where the Housing Authority determines rehabilitation is necessary at a unit, that work can be performed with the enhanced revenues generated as a result of the conversion. A benefit of the Scattered Site conversions under the Section 18 program is the incorporation of Tenant Protection Vouchers that can either be used to relocate tenants or to convert the properties to the Project Based Section 8 program to guarantee long-term affordability. No drain on the Sacramento's current Housing Choice Voucher (HCV) program is created by these conversions as these Tenant Protection Vouchers would be newly allocated.

Staff proposes that applications for conversion of Scattered Site properties be submitted to HUD before the end of 2019. All conversions under this program will be allocated new Section 8 Vouchers that are provided on a first-come, first-served basis. Because of the demand for this program, it is important that the Housing Authority submit applications as soon as possible before the HUD allocation is exhausted.

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department of Housing And Urban Development (HUD) Page 3

In 2018, the Board authorized initial approval of the Section 18 application via Housing Authority Resolution No. HA-2423. Since that time, Staff has completed the required consultation with residents affected by this action as well as the Public Housing Tenants group who is known as the Sacramento Resident Advisory Board (SRAB) and is now asking for final approval to submit the required Section 18 application documents to HUD.

### **COMMISSION ACTION**

It is anticipated that, at its meeting of June 6, 2019, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

## **POLICY CONSIDERATIONS**

The recommendations in this report are consistent with the recently updated Public Housing Authority (PHA) Plan to transition and convert public housing properties under the Section 18 Program. These efforts are also consistent with the Housing Authority's mission to promote self-sustaining housing opportunities for extremely low-income residents in Sacramento.

### ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The proposed application for Section 18 and the conversion of properties under the Section 18 program are administrative activities and do not make any commitments to, or give approvals for, specific projects or activities which have the potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines at 14 California Code of Regulations (CCR) section 15378(b). Environmental Review for specific projects, such as rehabilitation, under the Section 18 program will be completed prior to any discretionary action(s) being carried out with regard to such projects.

National Environmental Policy Act (NEPA): The proposed application for Section 18 is an administrative activity and does not make any commitments to, or give approvals for, specific projects or activities and is exempt under the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations (CFR) section 58.34(a)(3). The conversion of properties under the Section 18 program is considered a leasing and disposition activity and is categorically excluded under NEPA pursuant to 24 CFR section 58.35(a)(5). Environmental Review for disposition and/or rehabilitation of specific

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department of Housing And Urban Development (HUD) Page 4

properties under the Section 18 program will be completed prior to any choice-limiting action(s) being carried out with regard to such projects.

# M/WBE/SECTION 3 CONSIDERATIONS

Not applicable to this report.

### **FINANCIAL ANALYSIS**

Conversion to the Section 18 program, if granted, would terminate the Housing Authority's reliance on HUD's Public Housing Subsidy and Capital Fund to operate and maintain public housing properties. Under the Section 18 program, the Housing Authority would receive Tenant Protection Vouchers (Section 8) for a higher payment amount to manage the properties, which improves the viability and future outlook of the units and also maintains affordability for residents.

Respectfully Submitted,

APPROVED NAVDEEP S. GILL, County Executive

LA SHELLE DOZIER, Executive Director

Sacramento Housing and

Redevelopment Agency

Attachments:

RES - Resolution

EX A - County Property List (4 units or less)

ATT 1 -Map

### **RESOLUTION NO.**

# ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

AUTHORIZATION TO SUBMIT AN APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO REPOSITION AND CONVERT COUNTY PUBLIC HOUSING PROPERTIES UNDER THE SECTION 18 DEMOLITION AND DISPOSITION PROGRAM AND RELATED FINDINGS

WHEREAS, the Housing Authority of the County of Sacramento (Housing Authority) faces many issues with its public housing stock, including the inability to perform maintenance due to insufficient funding from the U.S. Department of Housing and Urban Development (HUD) coupled with high demand for affordable housing.

**WHEREAS,** in 2018 the Housing Authority worked with CSG Advisors to update an Asset Repositioning Study to develop strategies to reposition and sustain many of the Housing Authority's assets.

**WHEREAS**, although the Housing Authority completed some of the strategies suggested in the initial Asset Repositioning Study, the elements of time, available funding and changing HUD programs made it necessary to update the Housing Authority's plan and use more recent HUD initiatives to complete the repositioning efforts to address its aging housing stock.

**WHEREAS,** the Housing Authority must continue to pursue innovative approaches to preserve its housing and address the growing demand for housing for low- and very low income individuals.

**WHEREAS**, Congress modified regulations under the Section 18 program to provide greater efficiencies and a mechanism for Public Housing Agencies to address the growing backlog of deferred maintenance in public housing properties across the country.

**WHEREAS**, the Housing Authority is proposing to submit an application to HUD for the County Public Housing properties under the Section 18 program and apply for Tenant Protection Vouchers (TPV).

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department of Housing Urban Development For County Scattered Site Public Housing Units
Page 2

WHEREAS, the Housing Authority has consulted with residents, the Sacramento Resident Advisory Board (SRAB), the Sacramento Housing and Redevelopment Commission, and the Housing Authority's governing bodies related to the Section 18 program, and will continue to do so on a regular basis.

whereas, the proposed application for Section 18 is administrative and does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) section 15378(b) and is exempt under the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations (CFR) section 58.34(a)(3). Environmental review for specific activities, such as disposition and/or rehabilitation under Section 18 will be completed prior to any discretionary action(s) being carried out with regard to such projects.

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

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

Section 2. The Executive Director or her designee is authorized to submit a Section 18 Demolition and Disposition Program Application to HUD.

Section 3. The Executive Director or her designee is authorized to apply to HUD for Tenant Protection Vouchers (TPV).

Section 4. The Executive Director or her designee is authorized to execute any and all documents as may be required for submission and approval by HUD for the Section 18 and TPV applications for the properties listed in Exhibit A to the board letter and, if necessary, certifying an agreement to comply with all requirements of the program.

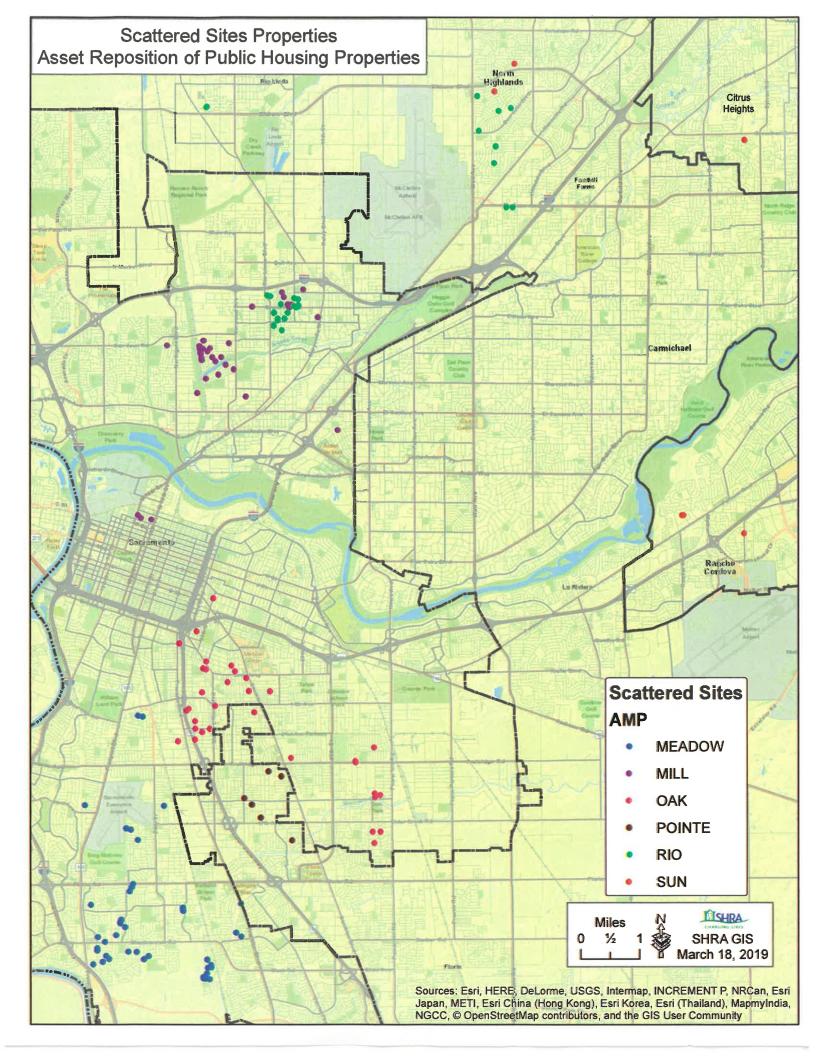
Section 5. The Executive Director is authorized to execute applicable award agreements if the Section 18 application is accepted and approved by HUD.

Authorization To Submit A Section 18 Demolition And Disposition Application To The United States Department of Housing Urban Development For County Scattered Site Public Housing Units Page 3

On a	a motion by Member	, seconded by Member
	, the foregoing Reso	olution was passed and adopted by the
Board of th	ne Housing Authority of the	County of Sacramento this 11th day of
June, 2019	), by the following vote, to	wit:
AYES:	Members,	
NOES:	Members,	
ABSENT:	Members,	
ABSTAIN:	Members,	
	Members, TICAL REFORM ACT (§ 187	02.5.)
	Cha	of the Board of the Housing Authority of Sacramento County, California
(SEAL)		
ATTEST: _		
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Clerk	

Site Address	Street	City	Zip	Unit	County District
5001	33rd AV	Sacramento	95824	1	2
5250-5248	SOUTHWEST AV	Sacramento	95824	2	2
4410	40th AVE	Sacramento	95824	1	2 2
6641	DAWSON WAY	Sacramento	95823	1	2
6108	LAURINE WAY	Sacramento	95824	1	2
6305	VISTA AVE	Sacramento	95824	1	2
3909	ALDER STREET	Sacramento	95838	1	2
3812	ALDER STREET	Sacramento	95838	1	2
3913	ALDER STREET	Sacramento	95838	1	2
3832	ALDER STREET	Sacramento	95838	1	2
3820	ALDER STREET	Sacramento	95838	1	2
3640	BELDEN STREET	Sacramento	95838	1	2
3618	BRANCH STREET	Sacramento	95838	1	2
3640	BRANCH STREET	Sacramento	95838	1	2
3533	CYPRESS STREET	Sacramento	95838	1	2
3537	CYPRESS STREET	Sacramento	95838	1	2
3728	CYPRESS STREET	Sacramento	95838	1	2
3718	CYPRESS STREET	Sacramento	95838	1	2
3811-3817	DRY CREEK RD	Sacramento	95838	4	2
3925	DRY CREEK RD	Sacramento	95838	1	2
1245	GRAND AVE	Sacramento	95838	1	2
3725-3735	HAYWOOD ST	Sacramento	95838	4	2
3840-3846	MAY STREET	Sacramento	95838	4	2
3945	PALMETTO STREET	Sacramento	95838	1	2
3940	ROSE STREET	Sacramento	95838	1	2
1041	CARMELITA ST	Sacramento	95838	1	2
3641	CENTINELLA DR	N. Highlands	95660	1	3
6529	JUNEAU WY	N. Highlands	95660	1	3
6444	LA CIENEGA DR	N. Highlands	95660	1	3
5721	SAN MARCOS WY	N. Highlands	95660	1	3
6224	SAN MARTIN ST	N. Highlands	95660	1	3
3937-3939	RENICK WY	N. Highlands	95660	2	3
4037-4039	RENICK WY	N. Highlands	95660	2	3
3833	CENTINELLA DR	N. Highlands	95660	1	3
4116	DEXTER CIRCLE	N. Highlands	95660	1	3
3867	BAINBRIDGE			1	3
5984	NORTH HAVEN DR	N. Highlands	95660	1	3
		Citrus			
6141-6145	TERRELL DR	Heights	95610	3	4
6412	BOLIN WAY			1	4
6421	BOLIN WAY			1	4

		Rancho			
2615-2619	BRAVADO DR	Cordova	95670	3	5
		Rancho			
10380-82	S WHITEROCK RD	Cordova	95670	4	5
		Rancho			
2608-2610	EL PARQUE CIR	Cordova	95670	2	5
			Total	63	







Sacramento Housing and Redevelopment Commission Sacramento, CA

Honorable Members in Session:

## **SUBJECT**:

Authorization to submit a Section 18 Demolition and Disposition Application to the United States Department of Housing and Urban Development for City Public Housing Units

### SUMMARY

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

### RECOMMENDATION

Staff recommends approval of the recommendation outlined in the attached report.

Respectfully submitted,

**Executive Director** 

Attachment



# REPORT TO HOUSING AUTHORITY City of Sacramento

915 I Street, Sacramento, CA 95814-2671 www.CityofSacramento.org

Consent **June 11, 2019** 

**Honorable Mayor and Members of the City Council** 

Title: Authorization to Submit a Section 18 Demolition and Disposition Application to the United States Department of Housing and Urban Development (HUD) for City Scattered Site Public Housing Units

Location/Council District: Citywide

**Recommendation:** Pass a **Housing Authority** Resolution authorizing the Executive Director to: 1) submit Section 18 Demolition and Disposition (Section 18) application to the United States Department of Housing and Urban Development (HUD) for City of Sacramento Housing Authority Scattered Site Units; 2) apply to HUD for Tenant Protection Vouchers; 3) execute all applicable award agreements if the Section 18 applications are approved; and 4) make related findings.

**Contact:** La Shelle Dozier, Executive Director, (916) 440-1319, Sacramento Housing and Redevelopment Agency

Presenters: none

**Department:** Sacramento Housing and Redevelopment Agency

## **Description/Analysis**

Issue Detail: In Sacramento there are currently 2712 units of public housing (1699 of which are in the City of Sacramento and 1013 which are in the County of Sacramento). The Sacramento Housing and Redevelopment Agency (SHRA) manages these public housing units which provide housing for low- and very-low income residents. However, significant issues currently affect the long-term sustainability of the City's Public Housing stock. Issues include: rapidly aging housing stock, lack of funding from the federal government over the last seventeen years for public housing programs, and the increase in local demand for affordable housing. Sacramento's issues are not unique. Many Public Housing Authorities (PHAs) across the nation are struggling to maintain their public housing inventories. To meet these challenges, SHRA must use new and innovative approaches to preserve and maintain the City's Public Housing stock.

As an initial step toward improving the viability of these assets, SHRA staff contracted with CSG Financial Services (CSG) to update the PHA Asset Repositioning Plan to evaluate the best strategy for the City's public housing portfolio. The update included analysis and review of the physical condition of all properties via physical needs assessments, review of financial records, development of property budgets, and evaluation of historical property data. In addition, CSG reviewed available funding and programs to address the deferred maintenance and capital improvement needs backlog in public housing through HUD.

The updated Asset Repositioning Plan, approved by the City Housing Authority Board in 2018 via Housing Authority Resolution No. 2018-0019, recommended that the Housing Authority convert its smaller Scattered Site properties (those with four or fewer units) from the current Public Housing Program to Project-Based Section 8 units via HUD's Section 18 Demolition and Disposition Program. Conversion to this program will increase the Housing Authority's ability to stabilize its properties and address deferred maintenance needs while preserving long term affordability for residents. There are 153 Scattered Site properties in the City of Sacramento. A list of those properties is included as Exhibit A.

Conversion to the Section 18 program can begin immediately upon approval from the Board and HUD as there is no specific requirement to complete upfront deferred maintenance work. In cases where the Housing Authority determines rehabilitation is necessary at a unit, that work can be performed with the enhanced revenues generated as a result of the conversion. A benefit of Scattered Site conversions under the Section 18 program is the inclusion of Tenant Protection Vouchers that can either be used to relocate tenants or to convert the properties to the Project Based Section 8 program to guarantee long-term affordability. No drain on Sacramento's current Housing Choice Voucher program is created by these conversions as these Tenant Protection Vouchers would be newly allocated.

Staff proposes that the Section 18 conversion application be submitted to HUD before the end of 2019. All conversions under the Section 18 program will be allocated new Tenant Protection Vouchers which are provided on a first-come, first-served basis. Because of the demand for this program, it is important that the Housing Authority submit applications as soon as possible to obtain additional vouchers before the HUD allocation is exhausted.

In 2018, the City Housing Authority Board authorized initial approval of the Section 18 application via Housing Authority Resolution No. 2018-0019. Since that time, Staff has completed the required consultation with residents affected by this action as well as with the Public Housing Tenants group who is known as the Sacramento Resident Advisory Board (SRAB) and is now asking for final approval to submit the required Section 18 application documents to HUD.

**Policy Considerations:** The recommendations in this report are consistent with the recently updated Public Housing Authority Plan to transition and convert public housing properties under the Section 18 Demolition and Disposition Program. These efforts are also consistent with the Housing Authority's mission to promote self-sustaining housing opportunities for extremely low-income residents in Sacramento.

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): The proposed application for Section 18 and the conversion of properties under the Section 18 program are administrative activities and do not make any commitments to, or give approvals for, specific projects or activities which have the potential to result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines at 14 California Code of Regulations (CCR) section 15378(b). Environmental Review for specific projects, such as rehabilitation, under the Section 18 program will be completed prior to any discretionary action(s) being carried out with regard to such projects.

National Environmental Policy Act (NEPA): The proposed application for Section 18 is an administrative activity and does not make any commitments to, or give approvals for, specific projects or activities and is exempt under the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations section 58.34(a)(3). The conversion of properties under the Section 18 program is considered a leasing and disposition activity and is categorically excluded under NEPA pursuant to 24 CFR section 58.35(a)(5). Environmental Review for disposition and/or rehabilitation of specific properties under the Section 18 Program will be completed prior to any choice limiting action(s) being carried out with regard to such projects.

Sustainability Considerations: Not applicable.

**Commission Action:** It is anticipated that, at its meeting of June 6, 2019, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

Rationale for Recommendation: This report recommends that the Housing Authority submit applications to HUD to convert the City's Public Housing portfolio to the Project Based Section 8 platform under the Section 18 programs. This will convert the portfolio to a long-term sustainable financial model and allow for physical improvements to be made at the properties with no increase in tenant rents.

**Financial Considerations:** Conversion to the Section 18 program, if granted, would terminate the Housing Authority's reliance on HUD's Public Housing Subsidy and Capital Fund to operate and maintain public housing properties. Under the Section 18 program, the Housing Authority would receive Tenant Protection Vouchers (Section 8 vouchers) for a higher payment amount to manage the properties, which greatly improves the viability and future outlook of the units and also maintains affordability for residents.

Submission of Scattered Sites Section 18 Application

June 11, 2019

LBE - M/WBE and Section 3 requirements: Not applicable.

Respectfully Submitted by

A SHELLE DOZIE

**Executive Director** 

# **Attachments**

- 1-Resolution
- 2-Exhibit A List of Properties 4 units or less
- 3-Scattered Site Map

# **RESOLUTION NO. 2019 -**

# Adopted by the Housing Authority of the City of Sacramento

on date of

AUTHORIZATION TO SUBMIT A SECTION 18 APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO CONVERT CITY PUBLIC HOUSING PROPERTIES UNDER THE SECTION 18 DEMOLITION AND DISPOSITION PROGRAM (SECTION 18)

#### BACKGROUND

- A. The Housing Authority of the City of Sacramento (Housing Authority) faces many issues with its public housing stock, including the inability to perform maintenance due to insufficient funding from the U.S. Department of Housing and Urban Development (HUD) coupled with high demand for affordable housing.
- B. In 2018, the Housing Authority worked with CSG Advisors to update an Asset Repositioning Study to develop strategies to reposition and sustain many of the Housing Authority's assets.
- C. Although the Housing Authority completed some of the strategies suggested in the initial Asset Repositioning Study, the elements of time, available funding and changing HUD programs made it necessary for the Housing Authority to update its plan and use more recent HUD initiatives to complete the repositioning efforts to address its aging housing stock.
- D. The Housing Authority must continue to pursue innovative approaches to preserve its housing and address the growing demand for housing for low- and very low income individuals.
- E. Congress modified regulations under the Section 18 program to provide greater efficiencies and a mechanism for Public Housing Agencies to address the growing backlog of deferred maintenance in nationwide public housing properties.
- F. The Housing Authority is proposing to submit applications to HUD to convert all City Public Housing properties under Section 18 and apply for Tenant Protection Vouchers (TPVs).
- G. Consultations with affected residents, the Sacramento Resident Advisory Board (SRAB), the Sacramento Housing and Redevelopment Commission, and the Housing Authority's governing board have occurred related to the Section 18 program. These consultations will continue on an on-going basis.

H. The proposed application for Section 18 is administrative and does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) section 15378 (b) and is exempt under the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations (CFR) section 58.34(a)(3). Environmental Review for specific activities, such as disposition and/or rehabilitation, under Section 18 will be completed prior to any discretionary action(s) being carried out with regard to such projects.

# BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

- Section 1. The above recitals, including the environmental determinations, are determined to be true and correct.
- Section 2. The Executive Director or her designee is authorized to submit a Section 18 Demolition and Disposition Application to the U.S. Department of Housing and Urban Development (HUD).
- Section 3. The Executive Director or her designee is authorized to apply to HUD for Tenant Protection Vouchers (TPV).
- Section 4. The Executive Director or her designee is authorized to execute any and all documents as may be required for submission and approval by HUD for the Section 18 program and TPV applications for the properties listed in Exhibit A and, if necessary, certifying an agreement to comply with all requirements of the program.
- Section 5. The Executive Director or her designee is authorized to execute applicable award agreements if the Section 18 applications are accepted and approved by HUD.

#### **Table of Contents:**

Exhibit A – List of Properties – 4 units or less

Site Address	Street	AMP	City	Zip	Unit	City Counci District
3836	HAYWOOD ST	MILL	Sacramento	95838	1	2
3249	WESTERN AV	MILL	Sacramento	95838	1	2
3255	WESTERN AV	MILL	Sacramento	95838	1	2
3319	WESTERN AV	MILL	Sacramento	95838	1	2
3840	CLAY ST	MILL	Sacramento	95838	1	2
100	FAIRBANKS AV	MILL	Sacramento	95838	1	2
44	FORD RD	MILL	Sacramento	95838	1	2
48	FORD RD	MILL	Sacramento	95838	1	2
637	GRAND AV	MILL	Sacramento	95838	1	2
3183	WESTERN AV	MILL	Sacramento	95838	1	2
3203	WESTERN AV	MILL	Sacramento	95838	1	2
3287	WESTERN AV	MILL	Sacramento	95838	1	. 2
3301	WESTERN AV	MILL	Sacramento	95838	1	2
74	ARCADE BLVD	MILL	Sacramento	95815	1	2
3937	BELDEN ST	MILL	Sacramento	95838	1	2
1731	Bowling Green DR	MILL	Sacramento	95815	1	2
375	LINDLEY DR	MILL	Sacramento	95815	1	2
200	REDONDO AV	MILL	Sacramento	95815	1	2
1142-1144	GRAND AV	MILL	Sacramento	95838	2	2
309-311	GRAVES AV	MILL	Sacramento	95838	2	2
530	LAMPASAS AV	MILL	Sacramento	95815	2	2
237	HAGGIN AV	MILL	Sacramento	95833	1	3
734	RIO TIERRA AV	MILL	Sacramento	95833	1	3
412-414	13th St	MILL	Sacramento	95814	2	4
1226-1228	D ST	MILL	Sacramento	95814	2	4
1512	D ST	MILL	Sacramento	95814	3	4
272	ARCADE BLVD	MILL	Sacramento	95815	1	2
150	BARTON WAY	MILL	Sacramento	95815	1	2
44	CATHCART AV	MILL	Sacramento	95838	1	2
125	CATHCART AV	MILL	Sacramento	95838	1	2
3634	CLARKSON CRT	MILL	Sacramento	95838	1	2
530	LAMPASAS AV	MILL	Sacramento	95815	2	2
1013	NORTH AV	MILL	Sacramento	95838	1	2
180	OLMSTEAD DR	MILL	Sacramento	95838	1	2
233	OLMSTEAD DR	MILL	Sacramento	95838	1	2
1340	STEPHANIE AV	MILL	Sacramento	95838	1	2
4114	3rd AV	OAK	Sacramento	95817	1	5
3605	22nd AV	OAK	Sacramento	95820	1	5
5409	56th STREET	OAK	Sacramento	95820	1	6
5110	BRADFORD DR	OAK	Sacramento	95820	1	6
7604	VALLECITOS WAY	OAK	Sacramento	95828	1	6
7736	VALLECITOS WAY	OAK	Sacramento	95828	1	6
6021	WILKINSON ST	OAK	Sacramento	95824	1	6
6071	WILKINSON ST	OAK	Sacramento	95824	1	6
3922	39th STREET	OAK	Sacramento	95820	1	5
7748	40th STREET	OAK	Sacramento	95824	1	6
2943	42nd STREET	OAK	Sacramento	95817	1	5

4100	47th STREET	OAK	Sacramento	95820	1	
7612	51st AVE	OAK	Sacramento	95828	1	6
3254	SANTA CRUZ WY	OAK	Sacramento	95817	1	5
6129	HERMOSA ST	MEADOW	Sacramento	95822	1	5
2221-2223	16th AV	MEADOW	Sacramento	95822	2	5
3421-23	19th AV	OAK	Sacramento	95820	2	5
4058-4060	SUMAC LANE	OAK	Sacramento	95820	2	5
3250	W Street	OAK	Sacramento	95817	3	5
2970	2nd Avenue	OAK	Sacramento	95817	4	5
3509-3515	36th Street	OAK	Sacramento	95817	4	5
4556-4568	10th Avenue	OAK	Sacramento	95820	4	5
3685	5th Avenue	OAK	Sacramento	95817	4	5
3635	5th Avenue	OAK	Sacramento	95817	4	5
7221	FRUITRIDGE RD	OAK	Sacramento	95820	1	6
5550	EMERSON RD	OAK	Sacramento	95820	1	6
7826	SHRADER CIRCLE	MEADOW	Sacramento	95832	1	7
7832	SHRADER CIRCLE	MEADOW	Sacramento	95832	1	7
7838	SHRADER CIRCLE	MEADOW	Sacramento	95832	1	7
7844	SHRADER CIRCLE	MEADOW	Sacramento	95832	1	7
7557	18th ST	MEADOW	Sacramento	95822	1	8
7434	COSGROVE WY	MEADOW	Sacramento	95822	1	8
7458	COSGROVE WY	MEADOW	Sacramento	95822	1	8
2131	62nd AV	MEADOW	Sacramento	95822	1	8
6142	Belleau Wood LN	MEADOW	Sacramento	95822	1	8
7462	COSGROVE WY	MEADOW	Sacramento	95822	1	8
7466	COSGROVE WY	MEADOW	Sacramento	95822	1	8
7786	DETROIT BLVD	MEADOW	Sacramento	95832	1	8
2148	FLORIN RD	MEADOW	Sacramento	95822	1	8
1713	NEIHART AV	MEADOW	Sacramento	95832	1	8
3672	REEL CIRCLE	MEADOW	Sacramento	95832	1	8
7743	REENEL WY	MEADOW	Sacramento	95832	1	8
4231-4237	23rd ST	MEADOW	Sacramento	95822	2	8
1780-1786	71st AV	MEADOW	Sacramento	95832	2	8
1781- 1785	71st AV	MEADOW	Sacramento	95832	2	8
1501-1505	ANOKA AV	MEADOW	Sacramento	95832	2	8
1500-1522	ARMINGTON AV	MEADOW	Sacramento	95832	2	8
1600-1608	JANRICK AV	MEADOW	Sacramento	95832	2	8
2854-2864	PROVO WY	MEADOW	Sacramento	95822	2	8
2855-2865	PROVO WY	MEADOW	Sacramento	95822	2	8
2850-2860	UTAH AV	MEADOW	Sacramento	95822	2	8
2851-2861	UTAH AV	MEADOW	Sacramento	95822	2	8
7591	RED WILLOW ST	MEADOW	Sacramento	95822	1	8
3600	REEL CIRCLE	MEADOW	Sacramento	95822	1	8
4114	3rd AVE	OAK	Sacramento	95817	1	5
3661	4th AVE	OAK	Sacramento	95817	1	5
4439	6th AVE	OAK	Sacramento	95820	1	5
5064	10th Avenue	OAK	Sacramento	95820	1	6
3804	21st AVE	OAK	Sacramento	95820	1	5

3421	21st AVE	OAK	Sacramento	95820	1	5
2931	24th AVE	OAK	Sacramento	95820	1	5
3405	24th AVE	OAK	Sacramento	95820	1	5
4001	32nd ST	OAK	Sacramento	95817	1	5
4052	Weymouth Ln (Phoenix	MEADOW	Sacramento	95823	1	8
4225	Weymouth Ln (Phoenix	MEADOW	Sacramento	95823	1	8
7506	21st ST	MEADOW	Sacramento	95822	1	8
7695	22nd ST	MEADOW	Sacramento	95832	1	8
2070	48th AVE	MEADOW	Sacramento	95822	1	8
2184	50th AVE	MEADOW	Sacramento	95822	1	8
2124	63rd AVE	MEADOW	Sacramento	95822	1	8
1467	66th AVE	MEADOW	Sacramento	95822	1	8
2239	CRAIG AVE	MEADOW	Sacramento	95832	1	8
7722	DETROIT BLVD	MEADOW	Sacramento	95832	1	8
7857	DETROIT BLVD	MEADOW	Sacramento	95832	1	8
7312	Franklin BL (Phoenix Pa	MEADOW	Sacramento	95823	1	8
3449	GATES WAY	MEADOW	Sacramento	95832	1	7
1531	GLIDDEN AVE	MEADOW	Sacramento	95822	1	8
6508	GOLF VIEW DR	MEADOW	Sacramento	95822	1	5
7656	MANORCREST	MEADOW	Sacramento	95832	1	8
7651	MANORSIDE DR	MEADOW	Sacramento	95822	1	8
1575	34th STREET	OAK	Sacramento	95816	1	3
				Total	153	
					1	

