



NOTICE OF REGULAR MEETING
Sacramento Housing and Redevelopment
Commission
Wednesday, October 15, 2014 – 6:00 pm
801 12th Street Sacramento, CA

ROLL CALL

APPROVAL OF AGENDA

1. APPROVAL OF MINUTES – October 1, 2014

CITIZENS COMMENTS

2. While the Commission welcomes and encourages participation in the Commission meetings, it would be appreciated if you would limit your comments to three minutes so that everyone may be heard. Please fill out a speaker card and present it to the Agency Clerk if you wish to speak under Citizen Comments or on a posted agenda item. Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public at this time. Commission attendees are requested to silence any electronic devices that they have in their possession.

BUSINESS

3. 2015 and Subsequent Years Authorization for Solicitation, Award, and Approval of Annual Expenditure Caps and Per Contract Caps for Routine Services
4. Tax Equity and Fiscal Responsibility (TEFRA) Hearing for Olivewood Apartments

PUBLIC HEARING

5. Adoption of the 2015 One-Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) Funded Projects and Programs; Amendment of Various Years' Action Plans; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; Authorization to release a request for proposals for the Regional Analysis of Impediments to Fair Housing Choice and to enter into a contract with awarded contractor, Authorization to issue a Notice of Funding Availability and to enter into contracts, and make related environmental findings - City

6. Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), And Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Authorization To Issue A Request For Proposals For The Regional Analysis Of Impediments To Fair Housing Choice And To Execute A Contract; Authorization to Issue a Notice of Funding Availability and to Execute Contracts; Execute Documents For The Administration Of Federal Programs And Other Environmental Related Findings – County
7. 2015 Sacramento Housing and Redvelopment Agency Proposed Budget - City
8. 2015 Sacramento Housing and Redvelopment Agency Proposed Budget - County

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

Staff reports are available for public review on the Agency's website www.shra.org and include all attachments and exhibits. Hard copies are available at the Agency Clerk's office (801 12th Street) for 10 cents per page. A copy of materials for this agenda will be available at the meeting for public review. **Assistance for the Disabled:** 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) Regular Meeting October 1, 2014

Meeting noticed on September 26, 2014

ROLL CALL

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

MEMBERS PRESENT: Chan, Griffin, Johnson, Macedo, Morgan, Raab, Stivers

MEMBERS ABSENT: Alcalay, Creswell, Morton (one vacancy)

STAFF PRESENT: Vickie Smith, David Levin, Christine Weichert, Tyrone Williams, MaryLiz Paulson, Sarah Thomas, Monique Pierre

APPROVAL OF AGENDA The Agenda was approved as submitted.

APPROVAL OF MINUTES

1. September 17, 2014 minutes were approved unanimously.

CITIZENS COMMENTS

2. None

BUSINESS

3. 700 Block of K Street Project –Tax Equity Fiscal Responsibility Act (TEFRA) Hearing and Approval of Funding

Tyrone Williams presented the item.

The Commission recommended approval for the item listed above. The votes were as follows

AYES: Chan, Griffin, Johnson, Macedo, Morgan, Stivers

NOES: none

ABSTAIN: Raab

ABSENT: Alcalay, Creswell, Morton

4. Public Housing Agency Five-Year Action Plan and 2015 Annual Plan for the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento; Submission of PHA Five-Year and 2015 Annual Plan to the Department of Housing and Urban Development (HUD); Certificates of Compliance

MaryLiz Paulson presented the item.

The Commission recommended approval for the item listed above. The votes were as follows

AYES: Chan, Griffin, Johnson, Macedo, Morgan, Raab, Stivers

NOES: none

ABSENT: Alcalay, Creswell, Morton

EXECUTIVE DIRECTOR REPORT

No report. Vickie Smith announced the next meeting would be on October 15th.

COMMISSION CHAIR REPORT

No report.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None

ADJOURNMENT

As there was no further business to be conducted, Vice-Chair Griffin Alcalay adjourned the meeting at 6:15 p.m.

AGENCY CLERK

October 15, 2014



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT 2015 AND SUBSEQUENT YEARS AUTHORIZATION FOR
SOLICITATION, AWARD AND APPROVAL OF ANNUAL EXPENDITURE
CAPS AND PER CONTRACT CAPS OF ROUTINE SERVICES

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes the Executive Director or her designee to: 1) solicit competitive bids and proposals, and award contracts according to adopted Agency Procurement Policy and Procedures for routine and recurring services and, 2) authorizes the Executive Director or her designee to execute contracts, in amounts not to exceed annual expenditure or per contract amounts set forth for routine and recurring services.

CONTACT PERSONS

Michael Taylor, Program Manager, 449-6285
Wayne Whitley, Procurement Services Supervisor, 440-1327

SUMMARY

The attached resolution authorizes the Executive Director to solicit competitive bids and/or proposals, make awards, and enter into agreements with the responsive and responsible bidders and/or offerors for the services required in 2015 and the subsequent years as set out in Attachment 1.

BACKGROUND

As in previous years, the Agency will procure routine services for various Agency operations such as general administration and operations. This staff report covers new solicitations during 2015. If the length of the contract is greater than one year, the resolution authorizes the Executive Director to amend the contract each subsequent year for the dollar amounts listed up to the total number of years listed. Any procurement that exceeds \$100,000 and is not included in this report or in the adopted budget resolution will be presented individually for approval at a future Commission meeting.

FINANCIAL CONSIDERATIONS

The services shown in Attachment 1 are new solicitations that will be performed during 2015. All other solicitations have been approved by the Commission in prior years' staff reports, and staff does not anticipate any substantial changes to the specifications.

As always, services will be procured by competitive bids and proposals in accordance with the Agency Procurement Policy and Procedures. Funds for the above services will be budgeted in the requesting departments' 2015 and subsequent years operating or project budgets.

POLICY CONSIDERATIONS

Agency procurement policy requires that all purchase orders and agreements for routine services, supplies and maintenance exceeding \$100,000 be approved by the Sacramento Housing and Redevelopment Commission. Any activities exceeding that amount that are not listed in Attachment 1 will be brought back to the Commission for review and approval. Actions proposed in this report are consistent with adopted Agency Procurement Policy and no changes to that policy are currently recommended. Contractors will be required to use the First Source Program for new employment opportunities.

ENVIRONMENTAL REVIEW

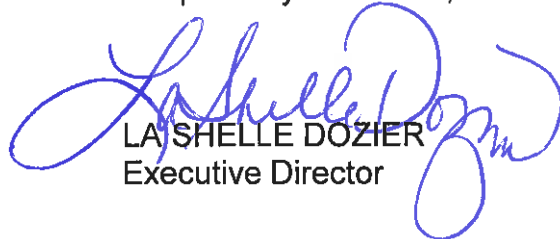
California Environmental Quality Act (CEQA): The proposed actions consist of solicitation and award of services. Banking services, hazardous materials assessment, and real estate appraisal services are considered administrative or operational activities and are categorically exempt pursuant to CEQA Guidelines Section 15061 (b) (3).

National Environmental Policy Act (NEPA): The following proposed actions are exempt from further environmental review under NEPA 24 CFR 58.34 (a) (2), which exempts information and financial services: banking services and real estate appraisal services. The following proposed action is exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34 (a) (5), which exempts inspections and testing of properties for hazards or defects: hazardous materials assessment – inspection & testing services.

M/WBE AND SECTION 3 CONSIDERATIONS

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

Respectfully submitted,



LA SHELLE DOZIER
Executive Director

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
October 15, 2014

2015 AND SUBSEQUENT YEARS SOLICITATION AWARD AND APPROVAL OF ANNUAL EXPENDITURE CAPS AND PER CONTRACT CAPS OF ROUTINE SERVICES

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

Section 1. All the evidence presented having been fully considered, including but not limited to the environmental findings that the actions herein are exempt under the California Environmental Quality Act (CEQA), CEQA Guidelines Section 15061(b)(3) and under the National Environmental Policy Act (NEPA), 24 CFR 58.34(a)(2) and (5), as stated in this staff report that accompanies this resolution are approved.

Section 2. The Executive Director or her designee is authorized to solicit competitive bids and proposals, and award contracts according to adopted Agency Procurement Policy and Procedures for routine and recurring services, including but not limited to banking, environmental consulting and real estate appraisal services, as set forth in Attachment 1.

Section 3. The Executive Director or her designee is authorized to execute contracts for routine and recurring services, in amounts not to exceed the annual expenditure cap or per contract cap set forth in Attachment 1.

CHAIR

ATTEST:

CLERK

**2015 AND SUBSEQUENT YEARS AUTHORIZATION FOR SOLICITATION, AWARD
AND APPROVAL OF ANNUAL EXPENDITURE CAPS AND PER CONTRACT CAPS
OF ROUTINE SERVICES**

[illegible]



October 10, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Tax Equity and Fiscal Responsibility Hearing (TEFRA) for Olivewood Apartments


SUMMARY

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

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LASHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 4, 2014
Timed: 2:00 p.m.

To: Board of Supervisors of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Tax Equity And Fiscal Responsibility Act (TEFRA) Hearing For Olivewood Apartments

Supervisory District: Nottoli

Contact: Christine Weichert, Assistant Director, 440-1353
Tyrone Roderick Williams, Director, Development, 440-1316

Overview

Olivewood-Sacramento Apartment Investors, L.P, has requested the issuance of conduit tax-exempt bonds in the amount not to exceed \$6 million ("Bonds") by the Housing Authority of the County of Sacramento ("Housing Authority"). The proceeds of the Bonds will be applied to the purchase and rehabilitation of the Olivewood Apartments project located at 2801-2811 La Quinta Drive in the County of Sacramento.

The Housing Authority approved the final bond documents on July 15, 2014. The Board of Supervisors first held a Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for the proposed Bond Issuance on October 22, 2013 and the Bonds must be issued within one year of the TEFRA hearing which is about to expire. Staff is recommending the Board of Supervisors conduct a new TEFRA Public Hearing to accommodate the issuance of the bonds.

Recommendations

Staff recommends adoption of the attached resolution for the Olivewood Apartment Project which indicates the Board of Supervisors has conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing related to the proposed construction and permanent financing of the project.

The clerk is requested to certify six copies of the resolutions and forward them to staff.

Measures/Evaluation

This development will preserve and extend 68 rehabilitated units of affordable housing, contributing to the County's 2013-2021 Housing Element goals. Affordability restrictions placed on the Olivewood Apartments will be monitored by the Agency for 55 years.

Fiscal Impact

The Agency will receive a one-time issuance fee of 0.25 percent of the bond amount, which is payable at bond closing, and an annual payment for monitoring the regulatory restrictions and administration of the bonds, in the amount of 0.15 percent of the bond amount for the term of 55 years. The developer will be responsible for payment of all costs, fees, and deposits relating to the bond application. Mortgage revenue bonds do not represent a financial obligation of the Agency, Housing Authority, or County of Sacramento.

BACKGROUND

On October 22, 2013 the Housing Authority approved the issuance of up to \$7,000,000 in tax-exempt mortgage revenue bonds for financing of the Olivewood Apartments. The Board of Supervisors also approved a \$4,000,000 Agency loan for the acquisition, rehabilitation and permanent financing of the Olivewood Apartments. On July 15, 2014 the Housing Authority approved final authorization of bond documents in an amount up to \$6,000,000 for the Olivewood Apartment project; loan documents by the Sacramento Housing and Redevelopment Agency ("Agency") in an amount up to \$4,000,000 for Olivewood Apartment project and loan modification documents by the Agency for existing loans to Olivewood Apartment project. The project has experienced delays in the issuance of the bonds primarily due to Tax Credit Investor's extensive review of the property management company and construction contractor. As a result the existing TEFRA is due to expire prior to the anticipated issuance of the bonds.

Olivewood Apartments is an existing 68 unit affordable housing project located at 2801 La Quinta Drive on 2.7 acres. The property was made affordable in 1996 with Low Income Housing Tax Credits (LIHTC), and in 1999 Agency loans restricted seven units to 50 percent of Annual Medium Income (AMI) and eight units to 60 percent AMI for a term of 30 years.

DISCUSSION

Description of Development: Olivewood Apartments was built in 1972 and had an original mixture of two and three bedroom apartments. The five building complex is located in the Cypress Meadows neighborhood, near the recently renovated four-plexes on Norcade Circle. This 41 year old development will need substantial improvements to bring it up to modern standards. In connection with a previous re-financing some two-bedroom units were combined to create 4 bedroom units. This created the current unit count and bedroom mix. The developer proposes a rehabilitation budget of approximately \$5.5 million to make the necessary improvements. All apartment interiors will be renovated and upgraded with replacement of kitchen cabinets, bathroom vanities, tubs and showers, kitchen and bathroom countertops, kitchen and bathroom sinks, and plumbing fixtures. The heating and air conditioning systems are being replaced to meet new energy standards and new energy efficient appliances are included. Exterior work will include new roofs on most buildings, installation of wood and metal screening, complete stucco replacement, painting, elimination of surplus entry doors, and new dual-pane windows. Site work will include improvements to fencing, signage, landscaping, sidewalks, dumpster enclosures, parking areas and upgraded ADA accessibility throughout the complex. Additional new facilities to be constructed include a new community room and leasing

office, a new play ground, pool and pool deck. The existing community room and laundry room will be remodeled to accommodate a larger maintenance room. The existing swimming pool and tot lot will be removed and replaced with new landscaping. Extensive re-landscaping will take place throughout the site. Exterior lighting will be upgraded and a new security camera system will be installed.

The project will be restricted to 21 extremely low-income units affordable to families at or below 30 percent of AMI, and 46 low-income units affordable to families at or below 60 percent of AMI. A map and site plan is included as Attachments I and II, respectively. Elevations of the post rehab exteriors are provided in Attachment III.

Developer: Pacific Developer Group is a General Contractor and affiliate of Professional Apartment Management, Inc. (PAM). PAM was formed in 1969 and was an experienced owner, manager and developer of affordable rental housing projects. PAM developed 28 properties in California and has owned and operated in excess of 4,500 affordable units in California, Nevada, and Hawaii. Pacific Developer Group was formed by the remaining principal owners of PAM in 2009 after the bulk of PAM's housing portfolio was sold to an east coast investor. PAM in partnership with Community Revitalization and Development Corporation, a California Non-profit public benefit corporation (CRDC) has formed Olivewood-Sacramento Apartment Investors, LP.

Resident Services: Resident services are to be provided by Life Skills Training and Educational Programs, Inc. (LifeSTEPS) whose mission is to strengthen families and communities through programs with a focus on life skills training, education and supportive services that meet the needs of the residents. LifeSTEPS is an experienced social service provider since 1996 and is already working at several affordable projects in Sacramento. LifeSTEPS has submitted a resident services plan for Agency approval detailing the scope and schedule of services to be provided. A minimum of 15 hours per week of resident services will be provided on-site to the residents at no charge.

Property Management: The Project will be managed by a property management company with staff experienced in operating affordable apartment communities. Agency staff will review and approve the management plan, including daily operations, leasing procedures, maintenance, and eviction procedures, to ensure the company meets the Agency's requirements for property management.

Project Financing: The Developer proposes to finance Olivewood Apartments with up to \$6,000,000 in tax-exempt mortgage revenue bonds issued by the Housing Authority, Low-Income Housing Tax Credits, the assumption of approximately \$643,790 of existing Agency debt and a new Agency loan in the amount of \$4,000,000. A project summary, including a proposed sources and uses of funds, is included as Attachment IV.

Bond Financing: As a public entity, the Housing Authority can issue tax-exempt bonds, the proceeds of which can provide acquisition, construction, and permanent financing for multi-family housing projects. Interest paid on the bonds is exempt from federal and state income tax, so bondholders will accept a below-market yield from the bonds. These savings are, in turn,

passed on to the project owner in the form of a below-market rate loan, with interest rates approximately one to two percent below prevailing market rates.

The bonds for the project will be privately-placed with Community Business Bank. The law firm of Orrick, Herrington and Sutcliffe LLP, will serve as bond counsel to the Housing Authority. Copies of the transaction documents are on file with the Agency Clerk.

Low-Income Set-Aside Requirements: As a condition of receiving tax credits and the benefits of tax-exempt bond financing, federal law requires the apartments be set-aside for targeted income groups. Maximum rent and income limits for the mortgage revenue bond program can be found in Attachment V. The project's affordability restrictions will be specified in regulatory agreements with the Developer.

MEASURES/EVALUATIONS

The County's Housing Element has set affordable housing goals for the period of 2014-2021. The project preserves and renovates existing regulated affordable housing units and creates additional affordability restrictions of 60 percent AMI on 38 units, deepens the affordability on seven 50 percent AMI units together with an additional 14 units reduced to 30 percent AMI.

FINANCIAL ANALYSIS

The proposed bond issuance will not be an obligation of the County, the Housing Authority, or the Sacramento Housing and Redevelopment Agency. The bonds will be the obligation solely of the project's owner, who will bear all costs associated with the issuance of the bonds. The Agency will receive a one-time issuance fee of 0.25 percent (25 basis points) of the bond issuance amount, which is payable at bond closing. The Agency will also collect an annual payment of 0.15 percent (15 basis points) of the total bond issuance amount for monitoring of the regulatory restrictions and administration of the bonds.

The new Housing Trust Fund loan will bear interest at two percent and carry a term after renovation of 55 years. All principal and accrued interest will be due and payable at the maturity of the loan.

POLICY CONSIDERATIONS

The actions are consistent with approved Agency's Multifamily Housing Loan Program and Mortgage Revenue Bond Program. Regulatory restrictions on the property will be specified in bond and loan regulatory agreements. Compliance with the additional regulatory agreements will be monitored by the Agency on a regular basis for 55 years.

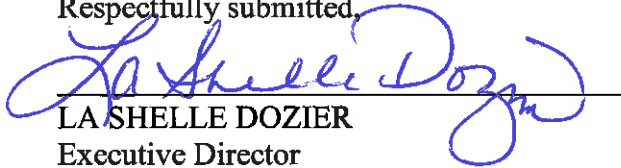
ENVIRONMENTAL REVIEW

The proposed action is categorically exempt under California Environmental Quality Act (CEQA) Guidelines Section 15301 which exempts actions on existing facilities, including rehabilitation and financing, where there is no change or expansion of the existing use. The National Environmental Policy Act (NEPA) does not apply.

M/WBE AND SECTION 3 CONSIDERATIONS

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

Respectfully submitted,



LA SHELLE DOZIER

Executive Director

Sacramento Housing and Redevelopment Agency

APPROVED

BRADLEY J. HUDSON

County Executive

Attachments:

RES – Board of Supervisors TEFRA

ATT I – Olivewood Location Map

ATT II – Olivewood Site Map

ATT III – Olivewood Elevations

ATT IV – Project Summary

ATT V – Rent and Income Limits

RESOLUTION NO. _____

ON DATE OF

**OLIVEWOOD APARTMENTS: APPROVING THE ISSUANCE OF
OBLIGATIONS BY THE HOUSING AUTHORITY OF THE COUNTY OF
SACRAMENTO ON OLIVEWOOD-SACRAMENTO APARTMENT
INVESTORS, L.P.**

WHEREAS, the Housing Authority of the County of Sacramento, a housing authority organized and existing under the laws of the State of California (the "Authority"), proposes to issue multifamily housing revenue obligations (the "Obligations") in an amount not to exceed \$6,000,000 and to lend the proceeds thereof to Olivewood-Sacramento Apartment Investors, L.P., a California limited partnership (the "Developer") to be used to provide funds for the acquisition, rehabilitation and development of a 68-unit multifamily housing residential facility located at 2801-2811 La Quinta Drive in the County of Sacramento, California, commonly known as the Olivewood Apartments, to be owned and operated by the Developer.

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986 requires the execution and delivery of the obligations to be approved by the Board of Supervisors of the County (the "Board"), as the elected representative of the County of Sacramento, the host jurisdiction of the subject multifamily housing residential facility, after a public hearing has been held following reasonable and proper notice.

WHEREAS, a public hearing was held by the Board on the 4th day of November, 2014, following duly published notice thereof, and all persons desiring to be heard have been heard.

WHEREAS, it is in the public interest and for the public benefit that the Board, as the elected representative of the County of Sacramento, the host jurisdiction of the subject multifamily housing residential facility, approve the execution and delivery by the Authority of the Obligations.

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

Section 1. The Board of Supervisors of the County of Sacramento hereby finds, determines and declares that issuance by the Authority of the Obligations in the maximum principal amount of \$6,000,000 for the purposes described above is hereby approved.

Section 2. This resolution shall take effect immediately upon its adoption.

On a motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 4th day of November, 2014, by the following vote, to wit:

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

Chair of the Board of Supervisors
of Sacramento County, California

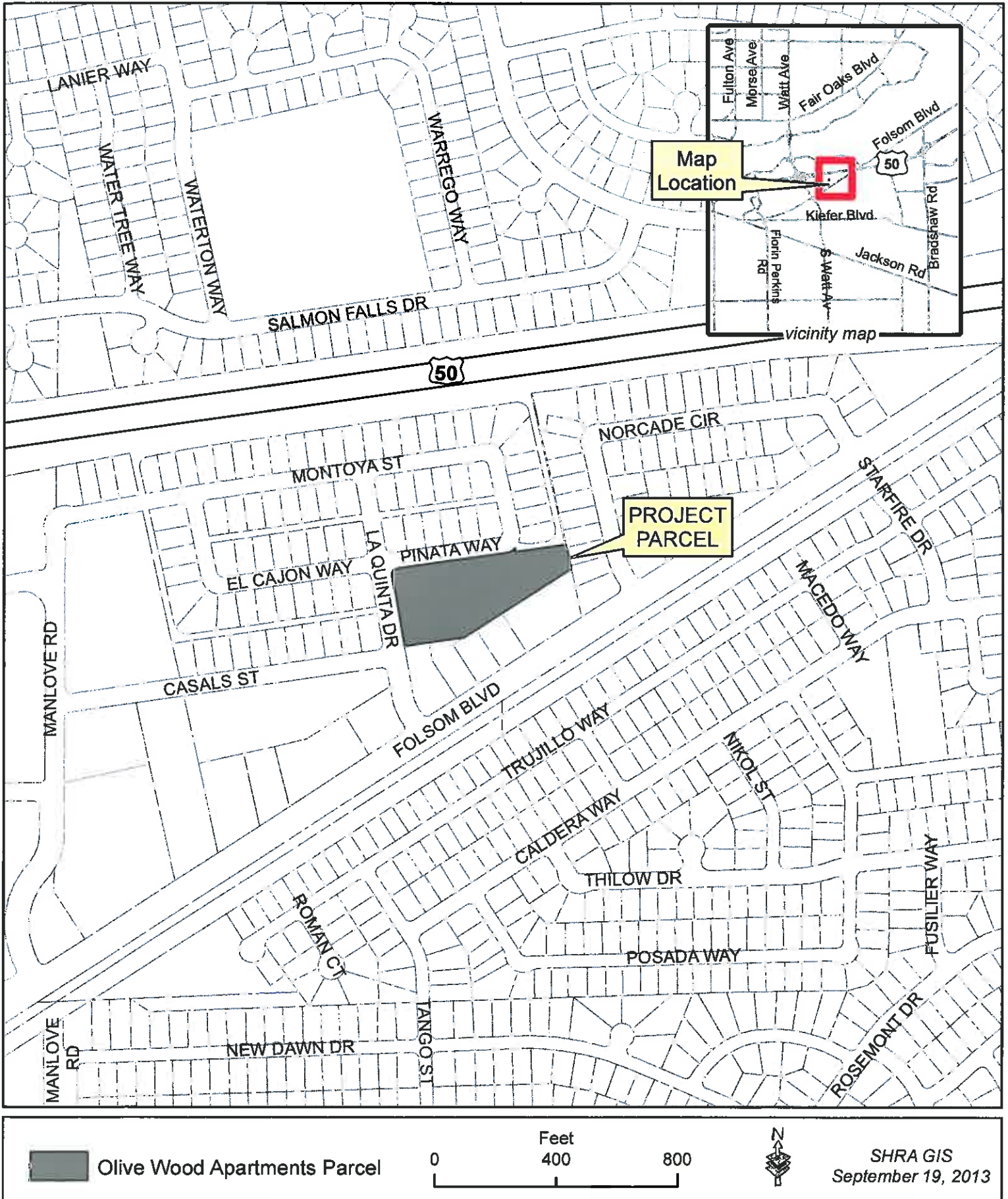
(SEAL)

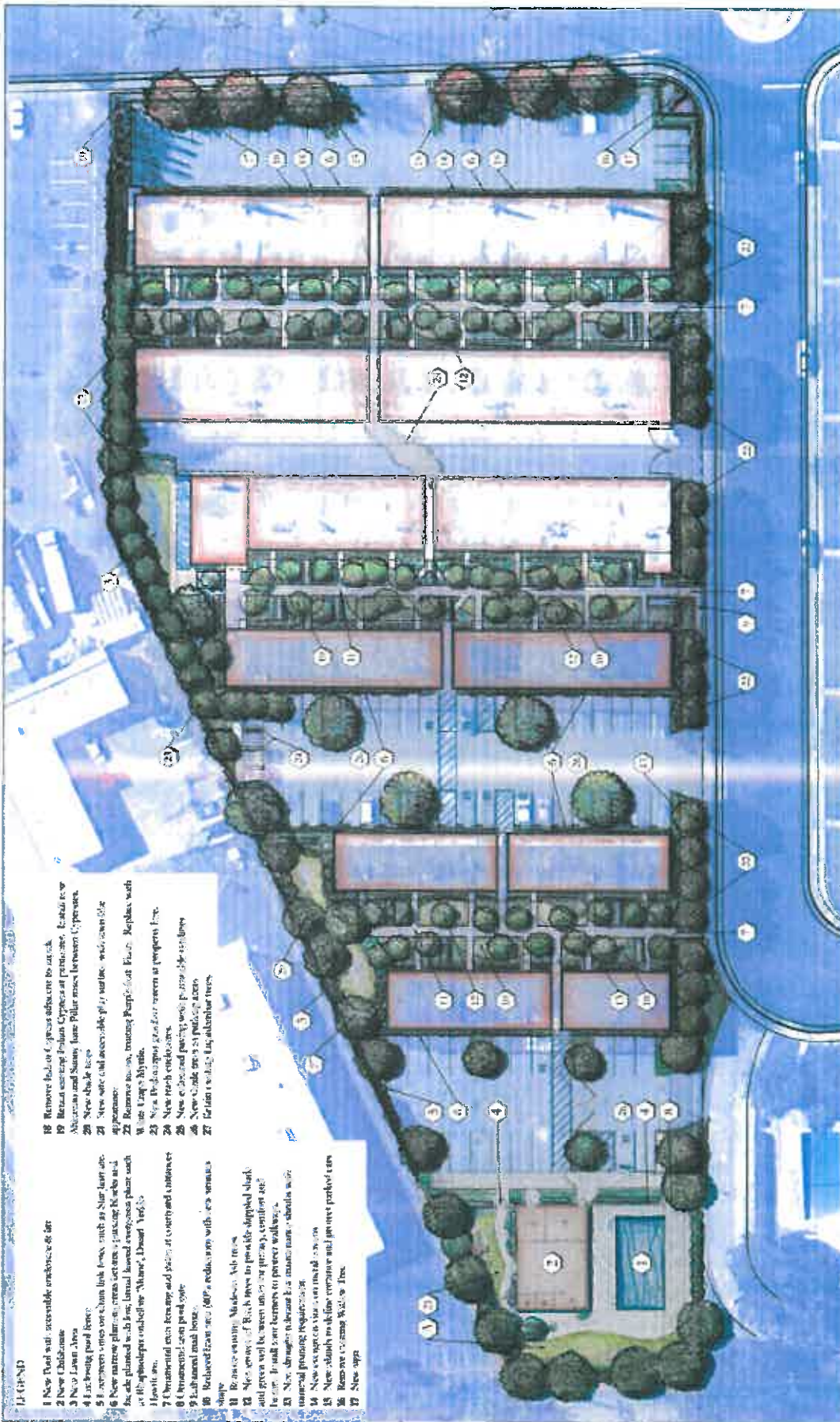
ATTEST:

Clerk, Board of Supervisors



Olive Wood Apartments





OLIVE WOOD APARTMENTS

MASTER PLAN

SCALE: 1" = 20'-0"

THE OFFICE OF
JEFFREY F. GAMBONI
LANDSCAPE ARCHITECT 202
3012 PACIFIC AVENUE
STOCKTON 95204
209 948 8335



Olive Wood Apartments

Project Summary

<u>Address</u>	2801-2811 La Quinta Drive		
<u>Number of Units</u>	68		
<u>Year Built</u>	1972		
<u>Acreage</u>	2.71		
<u>Affordability</u>	21 units (30%) at or below 30% of median income 46 units (70%) at or below 60% of medium income 1 manager units		
<u>Unit Mix and Rents</u>	(30% AMI)	(60% AMI)	Manager Unit
2 Bedroom	14	32	1
3 Bedroom	1	2	
4 Bedroom	6	12	
Total	21	46	1
<u>Unit Square Footage</u>	<u>Per Unit</u>	<u>Total</u>	
2 Bedroom/1 Bath	967	45,449 square feet	
3 Bedroom/2 Bath	1248	3,744 square feet	
4 Bedroom/2 Bath	1302	23,436 square feet	
Total		72,629 square feet	
<u>Resident Facilities</u>	The project will include new leasing office and community room, a new play ground and a relocated swimming pool.		
<u>Permanent Sources</u>	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>
Tax Exempt Bonds	\$ 2,212,156	\$ 32,532	\$ 30.46
Tax Credit Equity	\$ 3,703,075	\$ 54,457	\$ 50.99
New SHRA Loan	\$ 4,000,000	\$ 58,824	\$ 55.07
Existing Loans	\$ 643,609	\$ 9,465	\$ 8.86
TOTAL SOURCES	\$ 10,558,840	\$ 155,277	\$ 145.38
<u>Permanent Uses</u>			
Aquisition	\$ 2,300,000	\$ 33,824	31.67
Construction Costs	\$ 5,029,143	\$ 73,958	69.24
Architecture, Engineering, Survey	\$ 75,000	\$ 1,103	1.03
Construction Contingency	\$ 502,914	\$ 7,396	6.92
Soft Cost Contingency	\$ 312,198	\$ 4,591	4.30
Financing Costs	\$ 309,200	\$ 4,547	4.26
Reserves	\$ 118,677	\$ 1,745	1.63
Legal Fees	\$ 100,000	\$ 1,471	1.38
Relocation	\$ 200,000	\$ 2,941	2.75
Developer Fee	\$ 1,238,239	\$ 18,209	17.05
Third Party Fees, Marketing, Other	\$ 373,469	\$ 5,492	5.14
TOTAL USES	\$ 10,558,840	\$ 155,277	\$ 145.38
<u>Management / Operations</u>			
Proposed Developer:	Pacific Development Group		
Operations Budget:	\$339,398	\$4,991 per unit	
Replacement Reserves:	\$20,400	\$300 per unit	

MAXIMUM RENT AND INCOME LEVELS 2014
 Restricted by Low Income Housing Tax Credits, Mortgage Revenue Bonds, and Housing Trust
 Funds

Maximum Income Levels

Family Size	30% AMI	50% AMI	60% AMI
1 person	\$14,430	\$24,050	\$28,860
2 person	\$16,500	\$27,500	\$33,000
3 person	\$18,570	\$30,950	\$37,140
4 person	\$20,610	\$34,350	\$41,220
5 person	\$22,260	\$37,100	\$44,520
6 person	\$23,910	\$39,850	\$47,820
7 person	\$25,560	\$42,600	\$51,200
8 person	\$27,210	\$45,350	\$54,420

Maximum Rent Levels

Unit Size	30% AMI	50% AMI	60% AMI
2 Bedroom	\$464	\$773	\$928
3 Bedroom	\$535	NA	\$1,071
4 Bedroom	\$597	NA	\$1,195



October 10, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Adoption of the 2015 One-Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) Funded Projects and Programs; Amendment of Various Years' Action Plans; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; and Other Related Activities and Findings – City Report

SUMMARY

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

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment



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

Staff Report
November 6, 2014

Honorable Mayor and Members of the City Council

Title: Adoption of the 2015 One-Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) Funded Projects and Programs; Amendment of Various Years' Action Plans; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; and Other Related Activities and Findings

Location/Council District: Citywide

Recommendation: Adopt a Council **Resolution which:** 1) makes environmental findings. Complete environmental determination is found in Exhibit B and C; 2) Adopting the One-Year Action Plan amendment, to defund the activities set forth in Exhibit A and to add the programs and projects set out in Exhibit B; 3) adopting the 2015 One-Year Action Plan, which allocates anticipated CDBG, HOME, HOPWA and ESG funds to various programs and projects as set out in Exhibit B; 4) authorizing SHRA to amend its budget to allocate the CDBG, HOPWA and ESG funding for programs and projects in accordance with the amendment of the prior years' Action Plan; allocate the CDBG, HOME, HOPWA and ESG grant funding for programs and projects as set out in the 2015 One-Year Action Plan; and to amend the CDBG Capital Reserve, HOME, HOPWA and ESG budgets if HUD award is less or greater than anticipated to the extent necessary to implement and ensure the timely completion of the activities set out Exhibit B; 5) authorizing and delegating authority to SHRA to act as agent on behalf of the City of Sacramento to submit the amendment of prior years' Action Plan(s) and the 2015 One-Year Action Plan to HUD; execute the subsequent grant agreements with HUD; and to execute agreements and contracts with the appropriate entities to carry out the CDBG, HOME, HOPWA and ESG programs and projects in accordance with the Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations; 6) authorizing the City Manager to execute agreements with SHRA to carry out the activities contained in the 2015 One-Year Action Plan and amendment to the various years' Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations, in a form approved by SHRA Counsel and City Attorney; 7) authorizing SHRA to issue a request for proposal for the Regional Analysis of Impediments to Fair Housing Choice, to execute related contracts / agreements as approved to form by SHRA Counsel and to

amend its budget accordingly; and 8) authorizing SHRA to issue a CDBG Notice of Funding Availability (NOFA) as described in Exhibit B, to execute related contracts / agreements as approved to form by SHRA Counsel and amend its budget accordingly; 9) authorizing SHRA to make any budget adjustments and execute related documents, and agreements as necessary to carry out the federal programs as described in the 2015 Action Plan in compliance with applicable federal laws and regulations; 10) authorizing SHRA to solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with adopted CDBG and Agency Procurement Policy and Procedures in support of implementing approved CDBG activities; and 11) authorizing SHRA to issue a request for proposal for the Emergency Repair Program, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.

Contact: La Shelle Dozier, Executive Director, 440-1319, Geoffrey M. Ross, Federal Programs Manager, 440-1357

Presenters: Geoffrey M. Ross, Federal Programs Manager

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: This report recommends approval of the 2015 One-Year Action Plan, thereby updating the Consolidated Plan, and requests authorization to submit the plan to HUD. The Consolidated Plan is a five-year planning document covering the period 2013-17 (by Resolutions City Council No. 2013-0010 and Housing Authority No. 2013-0001). The Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy to meet those needs. In addition, the 2015 One-Year Action Plan specifically addresses the following federally funded housing and community development programs: CDBG, HOME, ESG and HOPWA.

Staff anticipates that the 2015 federal budget will be held constant at 2014 funding levels. Background information is included in Attachment 1.

Policy Considerations: The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives in the adopted Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: community services, housing, homeless facilities and services, public improvements and facilities, economic development, and planning activities.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA):

CDBG, HOME and HOPWA

Commitment of funding for new projects that could result in a direct or indirect physical change to the environment is subject to environmental review under CEQA if implementation of the projects is authorized as part of the budgeting process.

All new federally funded projects are subject to environmental review under the requirements of NEPA and per HUD regulations prior to any commitment of federal funds for expenditure unless they are exempt from such review.

Many of the 2015 One-Year Action Plan new projects are exempt or categorically excluded from environmental review under CEQA and NEPA. Some of the programs contained in the action plan do not include specific projects, or actions on specific properties as these projects and properties have not yet been defined. As projects and properties are identified, additional environmental review under CEQA and/or NEPA will be required prior to any discretionary action or choice limiting action. These projects cannot be approved until further environmental review is completed. Exhibit B and C contain specific information regarding CEQA and NEPA reviews and findings for specific projects.

ESG

The authority for environmental review of HUD-assisted projects and activities carried out under the Emergency Solutions Grant (ESG) Program is NEPA, related environmental laws and authorities, and 24 CFR Part 50. The Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) of 2009 repealed prior assumption authority to allow states and units of local government to perform HUD's environmental review responsibility for the ESG Program. Therefore the use of procedures under 24 CFR Part 58 – Environmental Review Procedures for Entities Assuming HUD's Environmental Responsibilities – is not authorized.

Per 24 CFR Part 50.19(b), the ESG activities included in the 2015 One-Year Action Plan for services and staff will have no physical impact on the environment. These are considered supportive services and are categorically excluded under NEPA. These programs are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Exhibit B and C contain specific information regarding CEQA and NEPA reviews and findings for ESG.

Sustainability Considerations: The Projects included in this report have been reviewed for consistency with the goals, policies and targets of the Sustainability Master Plan and the 2030 General Plan. If approved, the contents of this report will advance the following goals, policies and

targets: the project supports GOAL NUMBER FIVE – Public Health and Nutrition, Item 3 – Create Healthy Urban Environments through Restorative Redevelopment.

Other: N/A

Committee/Commission Action: On October 15, 2014, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: As a condition of the receipt of various federal grants provided through HUD, the regulations require the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the upcoming year using the goals and priorities in the Consolidated Plan. Refer to the Exhibits for the list of 2015 recommended activities, projects to be defunded and various years' Action Plan amendments.

Financial Considerations: Proposed allocations made in the 2015 One-Year Action Plan are based on:

Revenue Source	Previous Years Reprogramming	2015 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,269,759	\$4,269,759
CDBG Program Income*	\$0	\$221,905	\$221,905
CDBG Unallocated Capital Reserve	\$100,000	\$100,000	\$200,000
HOME Entitlement	\$0	\$1,814,225	\$1,814,225
HOME Program Income*	\$0	\$209,212	\$209,212
ESG Entitlement	\$0	\$348,183	\$348,183
HOPWA Entitlement	\$0	\$901,050	\$901,050
Revenue Subtotal	\$100,000	\$7,864,334	\$7,964,334
2015 and Previous Years' Total		\$7,964,334	

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

The \$311,308 in CDBG capital reserve budgeted in the 2015 One-Year Action Plan is approximately seven (7) percent of the 2015 CDBG entitlement. If Congress ultimately approves funding in a lesser amount, the reserve will be used to fund budgeted projects. The actions proposed include authorizing SHRA to obligate the CDBG Capital Reserve to activities described in this Action Plan.

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

Respectfully Submitted by:


LA SHELLE DOZIER
 Executive Director

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RESOLUTION NO. 2014 –

Adopted by the Sacramento City Council

November 6, 2014

APPROVAL AND THE ADOPTION OF THE 2015 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP (HOME), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS; AMENDMENT OF VARIOUS YEARS' ACTION PLANS; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY BUDGET; AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR THE REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE AND AUTHORIZATION TO ENTER INTO A CONTRACT; AUTHORIZATION TO ISSUE A NOTICE OF FUNDING AVAILABILITY AND AUTHORIZATION TO ENTER INTO CONTRACTS; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS AND OTHER ENVIRONMENTAL RELATED FINDINGS

BACKGROUND

- A. The U.S. Department of Housing and Urban Development (HUD) requires adoption of a Five-Year Consolidated Plan (Con Plan) and an annual Action Plan, consistent with the Con Plan, to identify the programs and projects for expenditure of federal CDBG, HOME, HOPWA and ESG funds.
- B. Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA), on behalf of City, has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME, ESG and HOPWA funding originating from HUD.
- C. With the release of the 2013 Notice of Funds Availability (NOFA), the 2013 Consolidated Plan recognized the modifications to regulations for the Continuum of Care and enactment of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act for rental assistance to be administered by the Public Housing Agency (PHA). The City designated its PHA, staffed by SHRA, to administer these

rental assistance programs.

- D. Community development grants from HUD administered directly by the recipient are required to undertake environmental review of the proposed projects and issue determination on behalf of HUD. SHRA is designated as the agent for the City of Sacramento, which is the general unit of local government for the purpose of the HUD regulations, and SHRA is authorized to submit an environmental determination on the City's behalf and on behalf of non-profit organizations which are sub-grantees.
- E. A noticed public hearing soliciting comments on the 2015 One-Year Action Plan was held by the Sacramento Housing and Redevelopment Commission on October 15, 2014.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated in Exhibit B and C, are approved.
- Section 2. The One-Year Action Plan amendment, to defund the activities set forth in Exhibit A and to add the programs and projects set out in Exhibit B, is adopted.
- Section 3. The 2015 One-Year Action Plan, which allocates anticipated CDBG, HOME, HOPWA and ESG funds to various programs and projects as set out in Exhibit B, is adopted.
- Section 4. SHRA is authorized to amend its budget to allocate the CDBG, HOPWA and ESG funding for programs and projects in accordance with the amendment of the prior years' Action Plan; allocate the CDBG, HOME, HOPWA and ESG grant funding for programs and projects as set out in the 2015 One-Year Action Plan; and to amend the CDBG Capital Reserve, HOME, HOPWA and ESG budgets if HUD award is less or greater than anticipated to the extent necessary to implement and ensure the timely completion of the activities set out Exhibit B.
- Section 5. SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to submit the amendment of prior years' Action Plan(s) and the 2015 One-Year Action Plan to HUD; execute the subsequent grant agreements with HUD; and to execute agreements and contracts with the appropriate entities to carry out the CDBG, HOME, HOPWA and ESG programs and projects in accordance with the Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations.

- Section 6. The City Manager is authorized to execute agreements with SHRA to carry out the activities contained in the 2015 One-Year Action Plan and amendment to the various years' Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations, in a form approved by SHRA Counsel and City Attorney.
- Section 7. SHRA is authorized to issue a request for proposal for the Regional Analysis of Impediments to Fair Housing Choice, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.
- Section 8. SHRA is authorized to issue a CDBG Notice of Funding Availability (NOFA) as described in Exhibit B, to execute related contracts / agreements as approved to form by SHRA Counsel and amend its budget accordingly.
- Section 9. SHRA is authorized to make any budget adjustments and execute related documents, and agreements as necessary to carry out the federal programs as described in the 2015 Action Plan in compliance with applicable federal laws and regulations.
- Section 10. SHRA is authorized to solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with adopted CDBG and Agency Procurement Policy and Procedures in support of implementing approved CDBG activities.
- Section 11. SHRA is authorized to issue a request for proposal for the Emergency Repair Program, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.

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Exhibit A	Project and Program Defunding
Exhibit B	2015 One-Year Action Plan Activities and Amendment of Various Years' Action Plans
Exhibit C	Environmental Determination
Exhibit D	CDBG Guide to National Objectives and Eligible Activities For Low- to Moderate-Income (L/M) Services Areas
Exhibit E	2013 – 2017 Consolidzated Plan Priority Low/Mod Areas

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

October 15, 2014

APPROVAL AND THE ADOPTION OF THE 2015 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP (HOME), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) AND EMERGENCY SOLUTIONS GRANT (ESG), MENTAL HEALTH SERVICES ACT (MHSA) FUNDED PROJECTS AND PROGRAMS; AMENDMENT OF VARIOUS YEARS' ACTION PLANS; AND AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY AND HOUSING AUTHORITY BUDGETS; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS; AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR THE REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE AND AUTHORIZATION TO ENTER INTO A CONTRACT; AUTHORIZATION TO ISSUE A NOTICE OF FUNDING AVAILABILITY AND AUTHORIZATION TO ENTER INTO CONTRACTS, AND OTHER RELATED ENVIRONMENTAL FINDINGS

WHEREAS, since 1982 (by Resolutions HA-2342, 82-424, 82-425, 82-650, 82-651, 82-652, RA-94, RA-107, HA-1526, HA-82-006, HA 2013-0001, 2013-0010, 2013-0018, HA-2342), the Sacramento Housing and Redevelopment Agency (SHRA) and its constituent entities has served as the public entity designated to efficiently administer the community development funding originating from HUD on behalf of the City and County of Sacramento.

WHEREAS, the Sacramento County Department of Human Assistance (DHA) previously administered the HOPWA Program on behalf of the City of Sacramento and ESG Program on behalf of the City and County of Sacramento. The Director of DHA formally requested SHRA administer the HOPWA Program (effective January 1, 2012) and the ESG Program (effective January 1, 2013) on behalf of the City of Sacramento. As approved by Resolutions SHRC 2013-13-1, City Council 2013-0010, City HA 2013-0001, BOS 2013-018, County HA 2013-2342, SHRA administers the ESG and HOPWA Programs for the City and County of Sacramento. HOPWA also includes the counties of Yolo, Placer and El Dorado.

WHEREAS, with the release of the 2013 Notice of Funding Availability (NOFA), the 2013 Consolidated Plan (Resolutions SHRC 2013-13-1, City Council 2013-0010, City HA 2013-0001, BOS 2013-0018, HA-2342) recognized the modifications to regulations for the Continuum of Care (CoC) and enactment of the Homeless

Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, which now states that rental assistance must be administered by a state, local government or a Public Housing Agency.

WHEREAS, community development grants from HUD administered directly by the recipient are required to secure environmental clearance. SHRA is designated as the agent for the City and County of Sacramento and is the general unit of local government for the purpose of environmental clearance on the City and County's behalf and on behalf of non-profit organizations which are sub-grantees.

WHEREAS, in November 2004, the California voters passed Proposition 63, as an initiative, and the Mental Health Services Act became law effective January 1, 2005. In January 2007 (by Resolutions 2007-0082, 2007-0083 and 2007-0084), the Board of Supervisors approved the Department of Health and Human Services (DHHS), Division of Mental Health and SHRA to entered into a Memorandum of Understanding to fund the development/rehabilitation of permanent supportive housing units, as detailed in the Sacramento County Mental Health Services Act (MHSA) expenditure plan.

WHEREAS, a duly noticed public hearing soliciting comments on the 2015 One-Year Action Plan was held on October 15, 2014 by the Sacramento Housing and Redevelopment Commission.

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the Sacramento Housing and Redevelopment Commission accepts the findings, including the environmental findings, regarding this action as stated in Exhibit B , C, D, and E, are approved.

Section 2. Subject to the approval of 2015 One-Year Action Plan by the Sacramento City Council and the Sacramento County Board of Supervisors, the Executive Director, or designee, is authorized to:

- amend the SHRA budget to allocate the CDBG, HOME, HOPWA and ESG funding for programs and projects in accordance with the amendment of the prior years' Action Plan; allocate the CDBG, HOME, HOPWA and ESG grant funding for programs and projects as set forth in the HOME, HOPWA and ESG budgets to the extent necessary to implement and ensure the timely completion of the activities set out in the 2015 One-Year Action Plan.
- administer rental assistance for homeless families in accordance with the HEARTH regulations. The Executive Director, or designee, is further authorized to amend the Agency budget and execute associated agreements, contracts, and documents with the appropriate entities to carry out these activities in compliance with adopted policies, guidelines and federal law as approved to form by SHRA Counsel.

- allocate and amend the SHRA budget for the annual Multi-family Supplemental Assessment collected for programs and projects in accordance with the 2015 One-Year Action Plan. SHRA's authorities for said funds are effective at the adoption of this resolution.
- approves the revised Rio Linda Community Center Rehabilitation Project description as described in this report.
- authorizes the appropriation of \$730,000 in Mental Health Services Act (MHSA) funds to the Martin Luther King Village rehabilitation project as described in this report and amend its budget accordingly.
- Issue a CDBG Notice of Funding Availability (NOFA) for a public facility improvement project(s) and enter into contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.
- issue a request for proposal for the Regional Analysis of Impediments to Fair Housing Choice and enter into contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.
- issue a request for proposal for the Emergency Repair Program, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.
- solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with adopted CDBG and Agency Procurement Policy and Procedures in support of implementing approved CDBG activities.
- execute agreements, contracts and documents with the appropriate entities to carry out the Action Plans activities in compliance with adopted policies, guidelines and federal law as approved to form by SHRA Counsel.

CHAIR

ATTEST:

CLERK

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

Activities being defunded are those that have been suspended or canceled. Newly funded activities are scheduled to be implemented and completed within 18 months to comply with federal regulations governing the timely expenditure of funds.

Staff recommends proposed funding transfers be appropriated to activities as described in Exhibit B.

Proposed Funding Transfers	2014 Action Plan Amendment Amount	2015 Action Plan Amount	From
Commercial Revolving Loan Fund (RLF): Staff recommends transferring a portion of existing loan proceeds to the CDBG Program Income (PI) Fund.	\$0.00	\$10,000	CDBG RLF
First-Time Homebuyer RLF: Staff recommends transferring a portion of existing loan proceeds to the CDBG PI Fund.	\$0.00	\$20,000	CDBG RLF
Multi-Family Rehabilitation RLF: Staff recommends transferring a portion of the existing loan proceeds to the CDBG PI Fund.	\$0.00	\$10,000	CDBG RLF
Single-Family Rehabilitation RLF: Staff recommends transferring a portion of existing loan proceeds to the CDBG PI Fund.	\$0.00	\$40,000	CDBG RLF
CDBG Program Income Fund: Staff recommends unallocated CDBG PI Funds be appropriated to activities as described in Exhibit B.	\$0.00	\$20,000	CDBG PI
Subtotal	\$0.00	\$100,000	\$100,000
2014 Consolidated Planning: This activity is canceled and funds are to be returned to CDBG Unallocated Capital Reserve.	\$100,000	\$0.00	Canceled CDBG Activity
Unallocated Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities in 2014.	\$0.00	\$100,000	Unallocated Capital Reserve
Subtotal	\$100,000	\$100,000	\$200,000
Total Funding Transfer	\$100,000	\$200,000	\$300,000

City of Sacramento
2015 One-Year Action Plan and Previous Years' Activities

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

The Five-Year Consolidated Plan outlines proposed strategies for the expenditure of CDBG, HOME, HOPWA, and ESG funds for the period 2013-17. In general, the mission of the Consolidated Plan is to revitalize selected lower-income neighborhoods and to assist disadvantaged populations by providing adequate public facilities and services, generating affordable housing opportunities, and stimulating economic development.

The One-Year Action Plan, and amendments, are updates to the Consolidated Plan. A key component of the One-Year Action Plan is the allocation of funds to proposed activities. This portion of the plan describes activities the jurisdiction will undertake in the coming year, including geographic locations and proposed accomplishments. Proposed activities address the priority needs and specific objectives of the 2013-17 Consolidated Plan, adopted by the City Council on January 8, 2013.

The Sacramento Housing and Redevelopment Agency (SHRA), as the direct recipient of HUD funding, assumes the responsibility for environmental review, decision-making, and actions under the National Environmental Policy Act (NEPA). SHRA is also the lead agency for Agency initiated projects under the California Environmental Quality Act (CEQA). This Exhibit includes NEPA and CEQA citations as reference unless otherwise indicated. Additional information on environmental review can be found in Exhibit C.

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

Proposed activities are based on the following estimated revenues:

Revenue Source	Previous Years Reprogramming	2015 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,269,759	\$4,269,759
CDBG Program Income*	\$0	\$221,905	\$221,905
CDBG Unallocated Capital Reserve	\$100,000	\$100,000	\$200,000
HOME Entitlement	\$0	\$1,814,225	\$1,814,225
HOME Program Income*	\$0	\$209,212	\$209,212
ESG Entitlement	\$0	\$348,183	\$348,183
HOPWA Entitlement	\$0	\$901,050	\$901,050
Revenue Subtotal	\$100,000	\$7,864,334	\$7,964,334
2015 and Previous Years Total	\$7,964,334		

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

The following summarizes proposed activities for 2015 and previous years. Activities are organized into the following categories; funding totals for each category are indicated.

Funding Category	Previous Years Reprogramming	Proposed 2015 Funding	Total
Infrastructure and Public Improvements	\$0	\$1,410,415	\$1,410,415
Housing Development, Preservation and Public Services	\$0	\$3,010,875	\$3,010,875
HUD Section 108 Loan Repayments	\$0	\$1,871,162	\$1,871,162
Grant Planning and Administration	\$100,000	\$393,102	\$393,102
CDBG Capital Reserve	\$0	\$867,472	\$967,472
		\$311,308	\$311,308
Funding Subtotal	\$100,000	\$7,864,334	\$7,964,334
Proposed Funding Total	\$7,964,334		

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS

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

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Main Avenue Ball Field: Provides \$20,000 for environmental clearance and \$150,000 for design and construction of a neighborhood ballfield located at Main Elementary School, construction work to include installation of turf, field striping, landscaping, drainage and irrigation.	\$0	\$170,000	\$170,000	CDBG	03E	LMA	Environmental review is underway. See Exhibit C.
Downtown Street Lighting: Provides funds for replacement and/or installation of new streetlights to enhance safety for pedestrians and residents in the downtown area.	\$0	\$550,000	\$550,000	CDBG	03	LMA	Environmental review is underway. See Exhibit C.
Downtown Riverfront Street Car Design: Provides funds for design and construction documents including those for track infrastructure, stations and pedestrian improvements.	\$0	\$300,000	\$300,000	CDBG	03K	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(8). CEQA: Exempt per Guidelines Section 15061(b)(3).
Capital Improvement Project Scoping: Funding for early cost estimates, resource identification, conceptual design, environmental studies and/or the development of plans, strategies and studies for CDBG-eligible projects. Location and scope to be determined by an internal process of requests on first-come, first-served basis. CDBG staff to determine eligibility of activity.	\$0	\$100,000	\$100,000	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15061(b)(3).
Public Facility Notice of Funding Availability (NOFA): SHRA to issue Notice of Funding Availability (NOFA) for CDBG-eligible capital improvements to a public facility located in low- and moderate-income areas.	\$0	\$100,000	\$100,000	CDBG	03E	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Public Improvements Delivery: Staffing and supportive services for Choice Neighborhoods Initiative, Section 3 related activities, environmental and capital improvement projects in 2015	\$0	\$190,415	\$190,415	CDBG	03	LMA	Environmental review is complete NEPA. Exempt per 24 CFR 58.34(a)(3). CEQA Exempt per Guidelines Section 15061(b)(3)
Total Infrastructure and Public Improvements	\$0	\$1,410,415					

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP

The following are recommended activities that increase the marketability and livability of neighborhoods

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Property Recycling Entity (PRE) Housing Program: Provides loans and/or grants to rehabilitate low- and moderate-income single- and multi-family housing, including owner-occupied and rental units.	\$0	\$169,753	\$169,753	CDBG PI	14B	LMH	Environmental review is underway See Exhibit C
	\$0	\$155,247	\$155,247	CDBG	14B	LMH	
Total			\$325,000				
Multi-Family Housing Acquisition and Rehabilitation: Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family housing.	\$0	\$816,401	\$816,401	HOME	NA	NA	See Exhibit C
	\$0	\$94,146	\$94,146	HOME PI	NA	NA	
Total			\$419,146				
Multi-Family Housing New Construction: Provides loans for the construction of multi-family housing.	\$0	\$816,401	\$816,401	HOME	NA	NA	See Exhibit C
	\$0	\$94,145	\$94,145	HOME PI	NA	NA	
Total			\$910,546				
Veterans/Affordable Housing Rehabilitation Program: Provides loans and/or grants to rehabilitate low- and moderate-income multi-family housing units.	\$0	\$500,000	\$500,000	CDBG	14B	LMH	See Exhibit C
Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides funding for the program's administration delivery/staff costs and grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications	\$0	\$50,000	\$50,000	CDBG	14A	LMH	Environmental review is complete See Exhibit C

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Minor Repair & ADA for Seniors and Low Income Homeowners Program: Provides for administrative costs associated with minor home repairs for low- and moderate-income homeowners and the administrative oversight for the Home Assistance Repair Program for Seniors (HARPS).	\$0	\$46,000	\$46,000	CDBG	14H	LMH	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Housing Programs Delivery: Supportive services for affirmatively furthering fair housing affordable housing/multi-family rehabilitation/new construction. Section 3 related activities, environmental and emergency repair/accessibility programs in 2015	\$0	\$268,782	\$268,782	CDBG	14A/14B	CDBG	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Housing Development, Preservation and Homeownership	\$0	\$3,010,875					

PUBLIC SERVICES

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

Activity Name	Reprogramming of Previous Years' Funds	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Emergency Solutions Grant: Funds to provide homeless prevention, and rapid re-housing in addition to emergency housing/shelters, delivery, operations and maintenance of facilities and essential supportive services per ESG regulations	\$0	\$322,069	\$322,069	ESG	NA	NA	Environmental review is complete. NEPA Categorically excluded per 24 CFR 50.19(b). CEQA: Exempt per Guidelines Section 15061(b)(3).
Homeless Activities: Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, detoxification, medical and counseling services, and the provision of food.	\$0	\$70,000	\$70,000	CDBG	05	LMC	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3) and (a)(4), Cat Ex 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Meals on Wheels: Provides meals to homebound seniors and to non-homebound seniors at over 20 dining sites.	\$0	\$485,043	\$485,043	CDBG	05A	LMC	Environmental review is complete. NEPA Categorically excluded per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Downtown SRO Supportive Services: Provides coordination of health and human services, crisis intervention, independent living skills, drug and alcohol recovery, and community building activities at four downtown hotels. The service center is located at 719 J Street.	\$0	\$120,000	\$120,000	CDBG	05	CDBG	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA - City and County of Sacramento: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services, supportive services and operations for persons with HIV/AIDS in the City and County of Sacramento.	\$0	\$747,050	\$747,050	HOPWA	NA	NA	Environmental review is complete. NEPA Categorically excluded per 24 CFR 58.35(b)(1), (b)(2) and (b)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).

HOPWA - Yolo County: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services and supportive services for persons with HIV/AIDS in Yolo County.	\$0	\$37,000	\$37,000	HOPWA	NA	NA	Environmental review is complete. NEPA: Categorical exclusion per 24 CFR 58.35(b)(1) and (b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA - El Dorado and Placer Counties: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services and supportive services for persons with HIV/AIDS in El Dorado and Placer Counties	\$0	\$90,000	\$90,000	HOPWA	NA	NA	Environmental review is complete. NEPA: Categorical exclusion per 24 CFR 58.35(b)(1) and (b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Public Services	\$0	\$1,871,162					

HUD LOAN REPAYMENTS

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

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Section 108 Loan Repayment. Annual debt service payment on Section 108 loan funds. If program income is utilized towards the debt service payment then unused entitlement funds will be utilized towards project costs.	\$0	\$340,950	\$340,950	CDBG	19F	LMH	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(2) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
	\$0	\$52,152	\$52,152	CDBG PI	19F	LMH	
Total Section 108 Loan Repayment	\$0	\$393,102					

GRANT PLANNING AND ADMINISTRATION

The following are related to immediate/intermediate term program planning, community participation and general program administration. For CDBG, HUD limits funding for planning and administration to 20 percent of the total amount of entitlement and program income. For HOME, the limit is 10 percent. For HOPWA, the limit is 3 percent. For ESG, the limit is 7.5 percent.

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Consolidated Planning: Planning related to public facility and infrastructure improvements, affordable housing and homeless/HEARTH Act activities	\$0	\$100,000	\$100,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 56.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Analysis of Impediments to Fair Housing Choice: Provides funds for the solicitation and award of a consultant contract to develop the Analysis.	\$0	\$100,000	\$100,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Fair Housing Activities: Provides funds to further fair housing, including outreach, referral and other eligible activities to affirmatively further fair housing.	\$50,000	\$0	\$50,000	CDBG	21D	NA	Environmental review is complete. NEPA: Cat Ex per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
2015 Homeless Point-in-Time Count: Provides funds for activities associated with the federally mandated homeless point-in-time count.	\$50,000	\$0	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1), (a)(3) and (a)(9). CEQA: Exempt per Guidelines Section 15061(b)(3).
Del Paso Heights Commercial Strategy: Provides funds to determine strategy of commercial development in Del Paso Heights. Work can include market analysis, site evaluation, envisioning and community outreach.	\$0	\$50,000	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1). CEQA: Exempt per Guidelines Section 15262.
Del Paso Infrastructure Study: Provides funds to identify types of utilities (including, water, sewer, drainage, electrical, gas and communications lines); sidewalk, lighting, signage, landscaping, irrigation, roadway and site grading improvements for the low-income community of Del Paso.	\$0	\$50,000	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1). CEQA: Exempt per Guidelines Section 15262.

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
ESG Program Administration: Administrative services for the implementation of ESG-funded activities in 2015.	\$0	\$26,114	\$26,114	ESG	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Home Program Administration: Administrative services for the implementation of HOME-funded activities in 2015.	\$0	\$181,423	\$181,423	HOME	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA Program Administration: Administrative services for the implementation of HOPWA-funded activities in 2015.	\$0	\$20,921	\$20,921	HOME PI	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Section 3 Program Delivery: Supportive services for First Source Sacramento and Section 3 related activities in 2015.	\$0	\$15,000	\$15,000	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
CDBG Planning and Administration: Administrative & Planning services for CDBG programs in 2015.	\$0	\$297,014	\$297,014	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Subtotal Grant Planning and Administration:	\$100,000	\$667,472	\$667,472				
Total Grant Planning and Administration:			\$967,472				

CDBG CAPITAL RESERVE

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Capital Reserve: Reserve account for overruns in capital improvement activities and to fund budgeted activities in 2015 if CDBG entitlement is less than anticipated. The reserve is also available to cover unanticipated project and program costs to bring an activity to completion. The full amount of the reserve is available to ensure the timely completion of the activities.	\$0	\$311,308	\$311,308	CDBG	22	NA	Not subject to environmental review.

**City of Sacramento
Environmental Determination**

Main Avenue Ball Field: Provides funds for environmental clearance and design and construction of a neighborhood ballfield located at Main Elementary School, construction work to include installation of turf, field striping, landscaping, drainage and irrigation. Environmental clearance, design and engineering are Exempt under NEPA per 24 CFR 58.34(a)(1) and (a)(8) and Exempt under CEQA per Guidelines Section 15061(b)(3). It is anticipated that the construction phase of this project will require further environmental review. SHRA staff may return for further approvals in early 2015.

Downtown Street Lighting Project: Funding for replacement and/or installation of new lights in the downtown area. It is anticipated that the recommended action will be categorically exempt under California Environmental Quality Act Guidelines Section 15301 and will be categorically excluded under National Environmental Policy Act regulations, pursuant to 24 CFR 58.35(a)(1).

Purchase and Resale Entity (PRE) Housing Program: Provides loans and/or grants to rehabilitate low- and moderate-income single- and multi-family housing; including owner-occupied and rental units. The recommended actions are categorically exempt under California Environmental Quality Act Guidelines Section 15301 and will be categorically excluded under National Environmental Policy Act regulations, pursuant to 24 CFR 58.35(a)(3)(i) and 24 CFR 58.35(a)(5). One property (1044 Westward Way) lies within a special flood hazard area and is subject to additional environmental review per 24 CFR 55.20.

Veterans/Multi-Family Acquisition and Rehabilitation Program: This program provides funding for the acquisition and rehabilitation of low- and moderate-income multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for acquisition and/or rehabilitation, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Multi-Family Housing New Construction: Loans for the construction of multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for new construction, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides funding for the program's administration, delivery/staff costs and grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications. Administration and delivery/staff costs are exempt under NEPA per 24 CFR 58.34(a)(3) and Exempt under CEQA per Guidelines Section 15061(b)(3). The emergency repair/accessibility component includes repairs and improvements to existing structures to control threats to public safety and accessibility improvements which will remove barriers that restrict mobility of and accessibility by elderly and disabled persons. These activities are Exempt under NEPA per 24 CFR 58.34(a)(10) and Categorical Excluded per 58.35(b)(3) and Categorical Exempt under CEQA per Guidelines Section 15301. Review is complete for this activity. However, any activities not covered under this environmental review are subject to additional review under CEQA and/or NEPA prior to project commencement.

2015 One-Year Action Plan

**Sacramento Housing and Redevelopment Agency
Federal Programs Division
CDBG Guide to National Objectives and Eligible Activities For
Low- to Moderate-Income (L/M) Services Areas**

The U.S. Department of Housing and Urban Development's Community Block Grant (CDBG) program describes an area benefit activity as an activity *which is available to benefit all the residents of an area which is primarily residential*. In order to qualify as addressing the national objective of benefit to L/M income persons on an area basis, an activity must meet the identified needs of L/M income persons residing in an area where at least 51% of the residents are L/M income persons. The benefits of this type of activity are available to all residents in the area regardless of income.

The requirement that an area benefit activity must qualify on the basis of the income levels of the persons who reside in the area served by the activity is statutory. (See section 105(c)(2) of the Housing and Community Development Act of 1974 as amended.) This means that the activity may not qualify as meeting the L/M income area benefit national objective on any other basis. For example, if the assisted activity is a park (park category descriptions begin on page 5) that *serves* an area having a L/M income concentration that falls below the required percentage, the activity may not qualify even if there is reason to believe that the park will actually be *used* primarily by L/M income persons. This means that, even though a predominantly L/M income neighborhood may be one of several neighborhoods served by an activity (e.g., a grocery store) the percentage of L/M income persons in the *total area served by the activity* is considered for this purpose.

Certain activities that serve an area are designed to meet the needs of only some persons in that area. An example of this would be a facility that is used exclusively as a senior center for a particular neighborhood. Such area benefit activities serving special needs usually must qualify under the Limited Clientele subcategory of the L/M Income Benefit national objective.

Typical area benefit activities include:

- Street Improvements
- Water and sewer lines
- Neighborhood facilities

2015 One-Year Action Plan

Records to be Maintained:

The records that must be kept to demonstrate include:

- Boundaries of the service area and the basis for determining those boundaries, and
- The percentage of L/M income persons in the service area and the data used for determining that percentage.

The factors to be considered in making the determination of the area served are:

- The nature of the activity
- The location of the activity
- Accessibility issues
- The availability of comparable activities

Nature of Activity

In determining the boundaries of the area served by a facility, its size and how it is equipped need to be considered. For example, a park that is expected to serve an entire neighborhood cannot be so small or have so little equipment (number of swings, slides, etc.) that it would only be able to serve a handful of persons at any one time. Conversely, a park (see below for park categories) which contains three ball fields, or a ball field with grandstands that can accommodate hundreds of spectators, could not reasonably be said to be designed to serve a single neighborhood. The same comparison would apply to the case of assisting a small, two-lane street in a residential neighborhood versus that of assisting an arterial four-lane street that may pass through the neighborhood but is clearly used primarily by persons passing through from other areas.

Location of Activity

Where an activity is located will also affect its capacity to serve particular areas, especially when the location of a comparable activity is considered. A library, for example, cannot reasonably be claimed to benefit an area that does not include the area in which it is located. When a facility is located near the boundary of a particular neighborhood, its service area would be expected to include portions of the adjacent neighborhood as well as the one in which it is located.

Accessibility

The accessibility of the activity also needs to be considered in defining the area served. For example, if a river or an interstate highway forms a geographic barrier that separates persons residing in an area in a way that precludes them from taking advantage of a facility that is otherwise nearby, that area should not be included in determining the area served.

2015 One-Year Action Plan

Other limits to accessibility may apply to particular activities. For example, the amount of fees to be charged, the time or duration that an activity would be available, access to transportation and parking, and the distance to be traveled can all constitute barriers to the ability of persons to benefit. Language barriers might also constitute an accessibility issue in a particular circumstance.

Comparable Activities

The nature, location, and accessibility of comparable facilities and services must also be considered in defining a service area. In most cases, the service area for one activity should not overlap with that of a comparable activity (e.g., two community centers, two clinics, or two neighborhood housing counseling services).

"Fit" of Service

Because the regulations require that census data be used to the maximum extent feasible for determining the income of persons residing in service areas, the boundaries of the service area determined by the grantee for the activity need to be compared with the boundaries of census divisions (tracts, block groups, etc.). The census divisions that best fall within the service area should be used for defining the service area for purposes of reporting on the activity and for calculating the percentage of L/M income persons residing in that area. While this means that the census divisions chosen for this purpose may exclude some limited number of persons that are in the actual service area or include some who are not, the practicality of using the census data will override unless the proportion of persons so excluded or included is too great. The alternative would be to survey excluded/included persons and to adjust the data obtained from the census computer runs accordingly. Surveys can be quite costly and their use should be limited whenever possible.

Notice CPD-14-11

On June 10, 2014, Notice CPD-14-11 was issued and it superseded Notices CPD-03-03 and 07-01. CPD-14-11 describes policy guidance regarding the updated 2014 L/M Income Summary Data (LMISD). The LMISD support the CDBG National Objective of providing benefit to l/m income persons on an area basis. The effective date of the Notice was July 1, 2014. Upon July 1, 2014, if the service area benefit activity no longer qualifies per 24 CFR 570.208(a)(1) because of the updated LMISD demonstrates a percentage of l/m income persons that is not at least 51% or the determined level of exception criteria at 24 CFR 570.208(a)(1)(ii), then starting and/or finishing the activity is to be governed by the guidance provided in the Notice and summarized below.

The Four Part Test

In order for the prior LMISD to remain in use, an activity must meet a four part test which requires:

2015 One-Year Action Plan

- An obligation before the effective date of July 1, 2014,
- A specific activity,
- A specific amount, and
- A clearly defined service area.

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There are limited **exceptions** to the four part test. The Federal Programs Manager evaluated projects that were not under an executed agreement by July 1, 2014.

The following park category descriptions shall be utilized and can be modified at the discretion of the Federal Programs Manager:

Park Category Descriptions

PARK CATEGORY	SIZE IN ACRES	SERVICE AREA	DESCRIPTION
Neighborhood Serving:			
Neighborhood Parks	5 to 10 acres	1/2 mile	A park intended to be used primarily by the people who live nearby, within a half-mile radius of the park. Some neighborhood parks are situated adjacent to an elementary school and improvements are usually oriented toward the recreation needs of children. In addition to landscaping, improvements might include a tot lot, adventure area, and unlighted sport fields or courts.
Urban plazas/ pocket parks	Less than 5 acres	1/2 mile	A specialized neighborhood park or facility to be used primarily by persons living, working or visiting nearby. Likely more appropriate for areas of denser urban and mixed use development. Amenities may include: smaller scale features such as community gardens, children's play areas, sitting areas, tables, fountains, hardscape, public art, walkways and landscaping.
Primary Design Elements			Basic landscaping/irrigation/turf/trees; site furniture/walkways/entry improvements/signage/drinking fountain;

2015 One-Year Action Plan

children's play area (tot lot and adventure area); picnic area with shade structure; sport court; sports field

Community Serving:

Community Parks	10 to 60 acres 2-3 miles; drivable from several neighborhoods	A park or facility developed primarily to meet the requirements of a large portion of the City/County. In addition to neighborhood park amenities, a community park may include: a large group picnic area with shade structure, a community garden, a neighborhood/community Skate Park, restroom, on-site parking, bicycle trail, a nature area, a dog park, lighted sport fields or sport courts. Specialized facilities may also be found in a community park including: a community center, a water play area and/or a swimming pool. Some of the smaller community parks may be dedicated to one use, and some elements of the park may be leased to community groups.
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Primary Design
Elements

All Neighborhood Park primary design elements; water element; field lighting; sports complex; amphitheater; restroom; parking lot; nature area

2015 One-Year Action Plan

Regionally Serving:

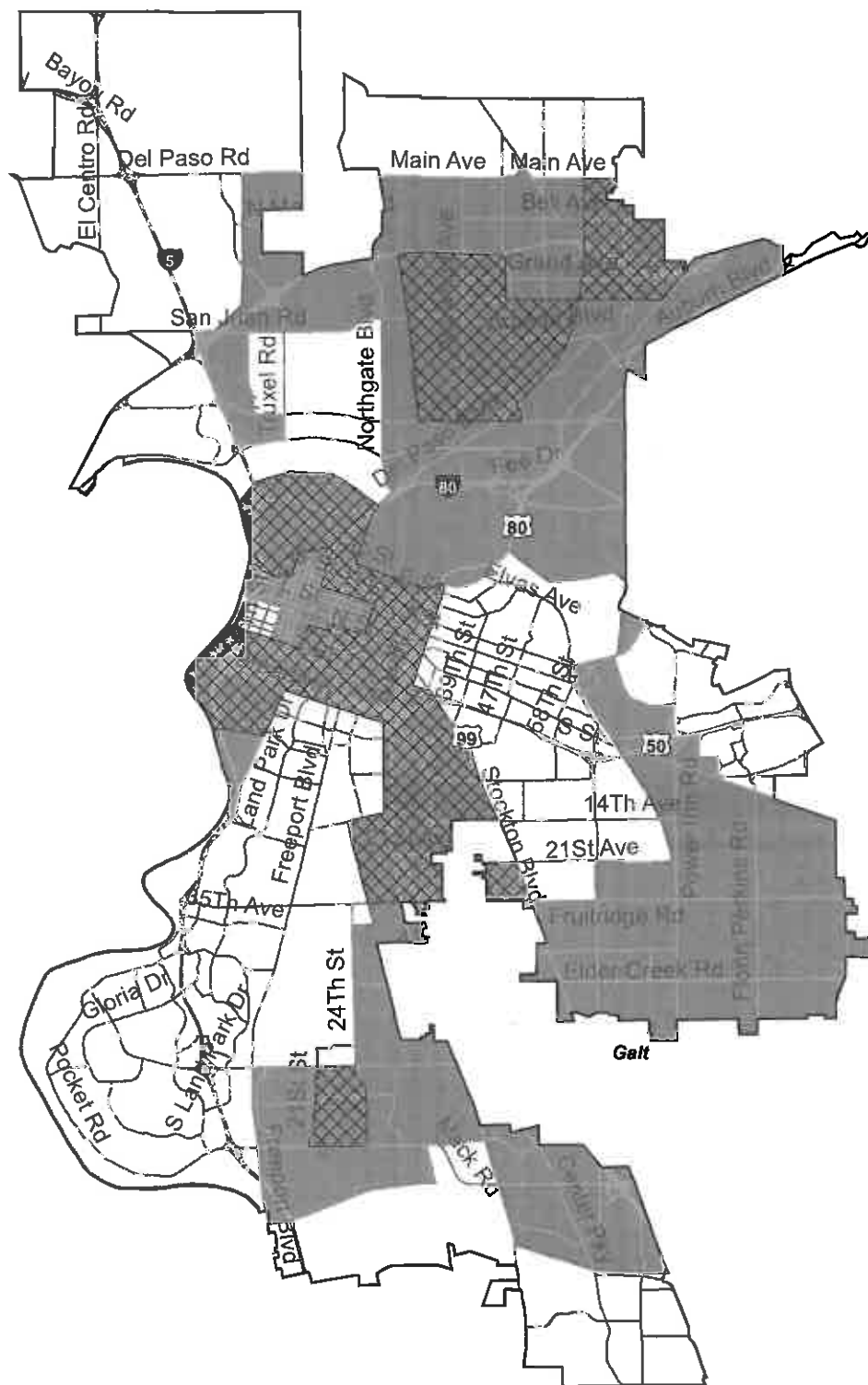
Regional Parks	Varies; generally larger than comm. parks and/or have destination attraction(s)	Regional	<p>A park or facility developed with a wide range of amenities, which are not found in neighborhood or community parks to meet the needs of the entire City/County of Sacramento population. In addition to those amenities found in neighborhood and community parks, improvements may include: a golf course, marina, amusement area, zoo, and other region-wide attractions. Some facilities in the park may be under lease to community groups.</p> <p><u>Note: Regional parks are not eligible for CDBG funding.</u></p>
Open Space/ Parkways	Varies.	N/A	<p>Open spaces are natural areas that are set aside primarily to enhance the City/County's environmental amenities. Recreational use of these areas may be limited to natural features of the sites, such as native plant communities or wildlife habitat.</p> <p>Parkways are similar to open space areas because they also have limited recreational uses. They are used primarily as corridors for pedestrians and bicyclists, linking residential areas to schools, parks and trail systems. Parkway are typically linear and narrow and may be situated along a waterway, abandoned railroad, or other</p>




2015 One-Year Action Plan

common corridor.

**Note: Open Space / Parkways are
not eligible for CDBG funding.**

Revised 2013 - 2017 Consolidated Plan Priority Areas



 City of Sac Boundary
  CDBG Priority Area
  2010 ACS LowMod CT

Miles
 0 1 2




 SHRA GIS
 October 1, 2014



October 10, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), And Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; And Other Related Activities and Findings - County Report

SUMMARY

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

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
November 4, 2014
10:30 am

To: Board of Supervisors of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), And Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; And Other Related Activities and Findings

Supervisory
District: All

Contact: LaShelle Dozier, Executive Director, 440-1319
Geoffrey M. Ross, Federal Programs Manager, 440-1357

Overview

As a condition of the receipt of various federal grants through the U.S. Department of Housing and Urban Development (HUD), regulations require the submittal of the annual One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities described in the Five-Year Consolidated Plan. This report recommends approval and adoption of the 2015 One-Year Action Plan (Action Plan) for the County of Sacramento. Staff anticipates that the 2015 federal budget be held constant at 2014 funding levels.

Recommendations:

1. All evidence presented having been duly considered, the Sacramento County Board of Supervisors accepts the findings, including the environmental findings regarding this action, as stated in Attachment 2 and 3, are approved.
2. Adopts the One-Year Action Plan amendment, to defund the activities as described in Attachments 1 and SHRA is directed to amend its budget accordingly.
3. Adopts the 2015 One-Year Action Plan which allocates anticipated CDBG, HOME and ESG funds to various programs and projects as set forth in Attachment 2 and SHRA is directed to amend its budget accordingly.

Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; And Other Related Activities and Findings

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4. Authorizes SHRA to amend the allocation of CDBG funding for programs and projects in accordance with changes to prior Action Plans; allocate the CDBG, HOME, and ESG grant funding for programs and projects as set out in the 2015 Action Plan; and to amend the 2015 CDBG Unallocated Capital Reserve, HOME and ESG budgets if HUD award is less or greater than anticipated to the extent necessary to implement and ensure the timely completion of the activities set out in the 2015 One-Year Action Plan.
5. Approves the revised Rio Linda Community Center Rehabilitation Project description as described in the body of this report.
6. Authorizes SHRA to appropriate \$730,000 in Mental Health Services Act (MHSA) funds to the Martin Luther King Village project as described in Attachment 2 and amend its budget accordingly.
7. Authorizes the County Executive, or designee, to execute agreements with SHRA to carry out Action Plan activities in compliance with adopted policies, guidelines, regulations and federal law as approved to form by County Counsel.
8. Authorizes SHRA to make any budget adjustments and execute any and all related documents, including invoicing, contracts and amendments as necessary to carry out the federal and local programs per SHRA adopted policies, guidelines, regulations and federal law as approved to form by SHRA Counsel.
9. Delegates SHRA the authority to act as agent on behalf of the County to execute the Action Plan grant agreements with HUD and the agreements and contracts with the appropriate entities to carry out the CDBG, HOME and ESG funded activities in the amended prior years' Action Plan and in accordance with the 2015 One-Year Action Plan. Such agreements shall be consistent and in compliance with applicable federal laws and regulations and approved to form by SHRA Counsel.
10. Authorizes SHRA to submit the 2015 Action Plan and previous Action Plans, to HUD.
11. Authorizes SHRA to issue a request for proposal for the Regional Analysis of Impediments to Fair Housing Choice, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.
12. Authorizes SHRA to issue a CDBG Notice of Funding Availability (NOFA) as described in Attachment 2, to execute related contracts / agreements as approved to form by SHRA Counsel and amend its budget accordingly.
13. Authorizes SHRA to solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with

Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; And Other Related Activities and Findings

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adopted CDBG and Agency Procurement Policy and Procedures in support of implementing approved CDBG activities.

14. Authorizes SHRA to issue a request for proposal for the Emergency Repair Program, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.

Measures/Evaluation

The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives in the adopted Consolidated Plan (by resolutions 2013-0018 and HA-2342). The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: community services, housing, homeless facilities and services, public improvements and facilities, economic development, and planning activities.

Fiscal Impact

2014 Action Plan Amendment

This report recommends amending the Agency budget and 2014 One-Year Action Plan to 1) reduced CDBG revolving loan funds (RLF) proceeds by \$1,510,000 in accordance with RLF guidelines and transfer said funds to the CDBG Program Income (CDBG PI) Fund; 2) reduce an existing CDBG activity by \$75,000 and transfer funds to CDBG Unallocated Capital Reserve; 3) transfer \$250,000 from canceled CDBG activities to CDBG Unallocated Capital Reserve; 4) allocate \$111,996 in Unallocated Capital Reserve to projects described in Attachment 2; 5) allocate \$730,000 from the Mental Health Services Act (MHSA) funds to a new activity for a total of \$2,676,996 as described in Attachment 1. Recommended activities are expected to be completed within 18 months as required by HUD.

2015 One-Year Action Plan

Allocations made in the Action Plan are based on an estimated 2015 CDBG entitlement of \$4,815,600; \$893,064 in CDBG program income; \$1,904,792 in 2015 HOME entitlement funds; \$810,444 in HOME program income; and \$392,047 in 2015 ESG funds.

Approval and Adoption Of The 2015 One-Year Action Plan For The Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG), and Mental Health Services Act Funded Projects And Programs, Amendment Of Various Years' Action Plans; Amendment To The Sacramento Housing And Redevelopment Agency (SHRA) Budget; And Other Related Activities and Findings

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BACKGROUND

Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA) has managed and administered federal housing and community development funds on behalf of the City and County of Sacramento (City and County) and has served as the federal housing and community development staffing entity pursuant to an agreement between the City and County and its housing authorities.

The Joint Powers Authority governance structure allows for a consolidation of staffing, achieves close coordination of housing/community development and revitalization activities with public housing authority functions, provides budget savings for operation and overhead, eliminates duplicate staffing efforts, and provides for a competitive advantage when seeking federal and other funding opportunities for housing and community development activities. The consolidation of multiple departments from different jurisdictions under the control of one executive director who is directly accountable to the City and the County governing boards is a key element to the success of the governance and legal structure of SHRA. This structure has been recognized on a statewide and national level as a model for multi-jurisdictional cooperation and efficient use of housing and community development funds. SHRA delivers cost-effective housing and community development services on behalf of the City and County without any cost to the City or County general fund.

On January 8, 2013 (by resolution 2013-018 and HA 2342) SHRA was approved to administer all U.S. Department of Housing and Urban Development Office of Community Planning and Development (HUD CPD) programs as part of the adoption of the 2013-17 Consolidated Plan. Furthermore, to reflect the administration of the ESG Program in addition to the administration of the CDBG and HOME Programs, as well as to reflect the dissolution of redevelopment, SHRA was also approved by same resolutions to enter into a revised Memorandum of Agreement (MOA) for the continued administration of HUD CPD funds, and the Housing Authority of the County of Sacramento, staffed by SHRA, was designated as the official recipient of federal funds on behalf of the County of Sacramento.

Consolidated Plan and Action Plan

New activities and the reprogramming of previous years' funds and their use are laid out in the Action Plan and are based upon 2013-17 Consolidated Plan priorities. The Action Plan's key components are broken down in the following sections.

Infrastructure

There is a continuing need within the County for public facilities to serve growing populations. Many low- and moderate-income areas in the County are within older neighborhoods that either do not have proper facilities or their existing facilities suffer from heavy use or deferred maintenance leading to disrepair. As identified in the 2013-17 Consolidated Plan, capital

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improvement funding identified in the Action Plan will be concentrated for maximum leveraging opportunities to provide the greatest impact to the largest number of residents.

Supporting large capital and public facility improvement projects benefiting low- and moderate-income areas remains a key component of the CDBG Program. As part of the 2013-17 Consolidated Plan the targeting of such areas is refined and priority areas are identified. The priority areas represent the intersection of various considerations for effectively targeting funding and maximizing impacts. To the extent a pipeline of projects exists within the priority areas the program goal is to strategically support such projects. However, where strategic projects exist in broader low- and moderate-income areas and to the extent that capital and public facility funding remains available, area benefit projects outside the priority areas will also be supported.

The proposed One-Year Action Plan infrastructure and public improvement projects support current County of Sacramento priorities, as well as previous commitments. This report supports projects currently underway throughout the County, and they are located within the priority areas established under the 2013-17 Consolidated Plan. The Action Plan through the use of priority areas recognizes the post-redevelopment reality in California and Sacramento and creates a system by which funds can be focused strategically on fewer, but larger projects in low- and moderate-income neighborhoods. The goal is to create a concentration of efficient activity generating strategic and visible impacts that promote positive changes within the community.

In this report, SHRA requests authorization to issue a Notice of Funding Availability (NOFA) to award up to \$100,000 in CDBG funds to either a government entity or a nonprofit to provide capital improvements to a public facility. Please refer to Attachment 2 for the full list of proposed activities.

2014 Action Plan Amendments:

Capital Improvement

Rio Linda Community Center Rehabilitation Project (CDBG funding: \$150,000) was approved on October 22, 2013 by Resolution 2013-0730 to design and rehabilitate the Community Center's kitchen. Staff recommends revising its Action Plan description to include upgrading the existing fire alarm system to current fire code and installation of handicapped-accessibility features to the existing restrooms. The Community Center provides a variety of neighborhood programs and serves as a congregate meal site for Meals on Wheels. See Attachment 2 and 3 for environmental review.

This report further recommends amending the 2014 One-Year Action Plan to transfer various federal and local funds to new activities as described in Attachment 2. These adjustments not only update the Consolidated Plan, but also facilitate timely expenditures as required by HUD.

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CDBG Low- to Moderate-Income Area Benefit - Background

In June 2014, HUD issued CPD Notice-14-11 *Transition Policy for Low/Moderate Income Summary Data Updates during Fiscal Year 2014 for the Entitlement Grantees and Non-entitlement Hawaiian County Grantees of the Community Development Block Grant Program* (CDBG Low/Mod Census Tracts) to provide guidance on the updated 2014 Low/Moderate Income Summary Data (LMISD). The LMISD supports the Community Development Block Grant (CDBG) National Objective of providing benefit to low- and moderate-income persons on an area basis (LMA). The LMISD are derived from special data tabulations provided to HUD by the U.S. Census Bureau. The special tabulations include data on family income, which were based on the Decennial Census in previous years and are now based upon the American Community Survey (ACS).

HUD's CDBG program describes an area benefit activity as an activity *which is available to benefit all the residents of an area which is primarily residential*. In order to qualify as addressing the national objective of benefit to low- to moderate-income (L/M) income persons on an area basis, an activity must meet the identified needs of L/M income persons residing in an area where at least 51 percent of the residents are L/M income persons. The benefits of this type of activity are available to all residents in the area regardless of income.

The requirement that an area benefit activity must qualify on the basis of the income levels of the persons who reside in the area served by the activity is statutory. (See section 105(c) (2) of the Housing and Community Development Act of 1974 as amended.) This means that the activity may not qualify as meeting the L/M income area benefit national objective on any other basis. For example, if the assisted activity is a park that *serves* an area having a L/M income concentration that falls below the required percentage, the activity may not qualify even if there is reason to believe that the park will actually be *used* primarily by L/M income persons. This means that, even though a predominantly L/M income neighborhood may be one of several neighborhoods served by an activity (e.g., a grocery store) the percentage of L/M income persons in the *total area served by the activity* is considered for this purpose.

Certain activities that serve an area are designed to meet the needs of only some persons in that area. An example of this would be a facility that is used exclusively as a senior center for a particular neighborhood. Such area benefit activities serving special needs usually must qualify under the Limited Clientele subcategory of the L/M Income Benefit national objective.

Typical area benefit activities include street improvements, water / sewer lines and neighborhood facilities.

Please refer to Attachment 4 for additional information.

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2014 Low- to Moderate-Income Summary Data

SHRA's GIS staff analyzed the low/moderate income data changes for each Census tract and determined there were some shifts in low/mod areas with the greatest being in the Delta which no longer qualifies for low-income area benefit. Please refer to Attachment 4 for 2013 – 2017 Consolidated Plan Priority Low/Mod Areas.

Section 3 / First Source Sacramento

Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u) (Section 3) requires that employment and other economic and business opportunities are directed to public housing residents and other low-income persons, to the greatest extent feasible, particularly recipients of government housing assistance, and business concerns that provide economic opportunities to low- and very low-income persons.

To enhance its Section 3 Program, SHRA in partnership with the Greater Sacramento Urban League (Urban League), Sacramento Employment Training Agency (SETA) developed the First Source Sacramento Program in late 2013 with it launching in 2014. This new program provides pathways to employment for Housing Authority residents, Housing Choice Voucher clients, and other low-income residents of the City and County of Sacramento. It is a one-stop resource for those seeking career counseling, training, certification and employment, and for employers, access to a pool of qualified applicants. First Source Sacramento helps create a competitive workforce, vibrant communities, and a sustainable local economy. The program is currently being piloted by the Housing Authority's resident trainees with the Urban League and SETA providing training and employment opportunities. In 2015, a broader outreach will begin for the remaining Housing Authority and low-income Sacramento residents.

For performance measures, refer to the Measures/Evaluation section below.

Housing

The housing activities laid out in the Action Plan seek to support, increase and improve the multi-family housing stock, rehabilitate existing single-family housing and provide housing to low-income Veterans. SHRA's ability to respond to increasingly difficult housing issues is currently resource constrained by reductions in entitlement grants from the federal government and the loss of local tax increment due to the elimination of California redevelopment agencies. As a result, resources from CDBG are being targeted towards housing rehabilitation and in support of housing development. In addition to direct housing assistance, infrastructure improvements along transit corridors in conjunction with housing development and community facilities in designated neighborhoods has been proven to lead to increased opportunities for low- and moderate-income residents to live closer to their place of work and enjoy greater interaction with their surrounding community and amenities.

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Affordable housing rehabilitation and new construction is not limited to low- and moderate-income areas and can be developed where it is most appropriate. The guidelines for investing in affordable housing rehabilitation and new construction activities were established as part of separate policies adopted by the Board of Supervisors, and include the Multi-Family Lending Guidelines.

Martin Luther King Village

November 2004, the California voters passed Proposition 63, as an initiative, and the Mental Health Services Act became law effective January 1, 2005. In January 2007 (by Resolutions 2007-0082, 2007-0083 and 2007-0084), the Board of Supervisors approved the Department of Health and Human Services (DHHS), Division of Mental Health and SHRA to entered into a Memorandum of Understanding to fund the development/rehabilitation of permanent supportive housing units, as detailed in the Sacramento County Mental Health Services Act (MHSA) expenditure plan. DHHS transferred a one-time amount to SHRA for the development/rehabilitation of permanent supportive housing units for the mentally ill homeless in Sacramento County. This transfer of funding established the Building Hope fund which is also known as MHSA funds. Staff recommends appropriating \$990,000 of existing MHSA (\$730,000) and CDBG PI (\$260,000) funds to the Martin Luther King Village project as described in Attachment 2.

Emergency Repair Program

In September 2014, Rebuilding Together informed SHRA that it no longer wished to administer the Emergency Repair Program and would cease as a provider effective December 31, 2014. Rebuilding Together was selected through a competitive bid process in 2012. Previous to this selection, SHRA administered the program. SHRA will issue a request for proposals in late 2014 or early 2015 to select and enter into a contract with an organization(s) to provide emergency home repairs to income qualified homeowners.

Fair Housing

SHRA, on behalf of the City and County of Sacramento, under direction of the U.S. Dept. of Housing and Urban Development (HUD), has a responsibility to affirmatively further fair housing within the City of Sacramento, as well as in the Unincorporated County of Sacramento, and the cities of Citrus Heights, Folsom, Isleton, and Galt (Elk Grove and Rancho Cordova receive their own CDBG and HOME entitlements). SHRA strives through the implementation of its programs and outreach efforts to reduce housing discrimination in the housing rental, sales and lending on the basis of race, sex, color, religion, national origin, familial status, gender identity, or disability, in compliance with the Fair Housing Act.

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Regional Analysis of Impediments to Fair Housing Choice

The Fair Housing Cooperative met in September 2014 and an outcome of this meeting is the recommendation that SHRA issue a request for proposal (RFP) for a regional Analysis of Impediments to Fair Housing Choice. The intent of the RFP is for SHRA, the cities of Sacramento, Folsom, Isleton, Galt, Citrus Heights, Rancho Cordova and Elk Grove; and the unincorporated County of Sacramento to select a professional consulting firm with proven expertise and understanding of the Fair Housing Act which requires the U.S. Department of Housing and Urban Development (HUD) to administer the Department's housing and urban development programs in a manner to "affirmatively further fair housing." HUD in large part carries this obligation out by requiring its grantees to affirmatively further fair housing through the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs, and as one part of the Consolidated Plan (five-year planning document with performance measures reported annually). HUD is committed to enforcing the federal Fair Housing Act and other civil rights laws with the fundamental goal of making housing opportunities available to all.

HUD requires grantees to conduct an analysis to identify impediments to fair housing choice (the AI); take appropriate actions to overcome the effects of any impediments identified through the analysis; and maintain records reflecting the analysis and actions taken in this regard.

This regional AI's analysis area is defined as the incorporated cities of Sacramento, Folsom, Isleton, Galt, Citrus Heights, Rancho Cordova and Elk Grove; and the unincorporated County of Sacramento.

In 2015, SHRA will issue a request for proposals to contract with a consultant to update the Analysis of Impediments to Fair Housing Choice (AI). Staff expects to submit the AI to HUD in November 2016. Additionally, SHRA will continue to refine its referral process and update its web as needed to provide residents with information on how to obtain assistance for fair housing issues.

Status of Agreement Cities

The CDBG Cooperation Agreements with Folsom, Isleton and Galt will expire on December 31, 2017 and the next renewal year begins on January 1, 2018. The HOME consortium agreement with the city of Citrus Heights will expire on December 31, 2017 and the next renewal year begins on January 1, 2018.

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Isleton and the Delta

Per the recently released LMISD data described above, the Delta, including the city of Isleton, no longer qualifies as low- to moderate-income service areas (LMA) (24 CFR 570.208(a)(1)) which limits the types of projects eligible for funding. Projects are limited to spot blight/removal (i.e., historic rehabilitation), handicapped-accessibility improvements, and affordable housing rehabilitation.

Staff is recommends funding \$600,000 in CDBG to complete Phase 2 of the rehabilitation of the historic Isleton Bing Kong Tong building. Stabilization (Phase 1) was completed in September 2014 (see Attachment 1). This project meets the CDBG National Objective of Slum Blight/Spot/Basis (24 CFR 570.208(b)(2)) for the preservation of an historic building. The Bing Kong Tong is located in Isleton's Chinese and Japanese Commercial Districts which is listed as one historic district on the National Register of Historic Places in 1991.

Folsom, Galt, and Citrus Heights

The City of Galt has requested that 2014 Galt Quiet Zone Safety Project be reduced from \$150,000 to \$75,000 and requests that the Board approve allocating the \$75,000 to the Galt Central Corridor Street Improvements project (see Attachment 1).

The 2015 Action Plan proposes the allocation of \$150,000 to Galt for an infrastructure improvement project, \$150,000 to Folsom for its Seniors Helping Seniors Program and \$178,418 to Citrus Heights for its First-Time Homebuyer Program (see Attachment 2).

Homeless Services

SHRA, on behalf of the County of Sacramento, is the Grantee for the ESG program. ESG provides ongoing federal entitlement funding in support of emergency shelters, homeless prevention and rapid re-housing activities. In developing the 2015 One-Year Action Plan, SHRA consulted with the Continuum of Care (CoC) and homelessness providers on allocating ESG funds in a manner that best serves the community. As part of the consultation, federal requirement were reviewed to remind the partners that there are caps on ESG (24 CFR 576.3-General Provisions): no less than 40 percent of the funds are to be made available for prevention and rapid re-housing activities, and no more than 60 percent of the funds for emergency shelters and outreach; in addition, out of the 60 percent, 7.5 percent can be allocated for program administration. Refer to Attachment 2 for staff funding recommendations.

SHRA will continue to collaborate with Sacramento Steps Forward and homeless service providers, on developing a coordinated entry/assessment system for the entire CoC. The ESG coordinated entry has served as a pilot for the CoC.

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DISCUSSION

This report recommends approval of the 2015 Action Plan, thereby updating the Consolidated Plan, and requests authorization to submit the plan to HUD. The Consolidated Plan is a five-year planning document covering the period 2013-17. The Consolidated Plan identifies the County's housing and community development needs and describes a long-term strategy to meet those needs. In addition, the Action Plan specifically addresses the following federally funded housing and community development programs: CDBG, HOME and ESG.

COMMISSION ACTION:

On October 15, 2014, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

MEASURES/EVALUATIONS

The proposed funding allocations for new and existing activities are consistent with the goals and objectives found in the adopted Consolidated Plan.

The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: community services, housing, homeless facilities and services, public improvements and facilities, economic development, planning and administration.

The new First Source Sacramento employment/training program for Housing Authority and other Sacramento County low-income residents was developed in partnership between SHRA, the Urban League and SETA.

2014 First Source participation/registration:

Employers doing business with SHRA: 12

Public Housing Residents: 89

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FINANCIAL ANALYSIS

Proposed activities are based on the following estimated revenues:

Revenue Source	Previous Years Reprogramming	2015 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,815,600	\$4,815,600
CDBG Program Income*	\$1,510,000	\$893,064	\$2,403,064
CDBG Unallocated Capital Reserve	\$436,996	\$0	\$436,996
HOME Entitlement	\$0	\$1,904,792	\$1,904,792
HOME Program Income*	\$0	\$810,444	\$810,444
ESG Entitlement	\$0	\$392,047	\$392,047
Mental Health Services Act Funds	\$730,000	\$0	\$730,000
Revenue Subtotal	\$2,676,996	\$8,815,947	\$11,492,943
2015 and Previous Years' Total	\$11,492,943		

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

The CDBG Unallocated capital reserve budgeted in the 2015 One-Year Action Plan is approximately five (5) percent (or \$300,000) of the 2015 CDBG entitlement. If Congress ultimately approves funding in a lesser amount, the reserve will be used to fund budgeted projects. SHRA is authorized to obligate the capital reserve to activities described in this Action Plan.

POLICY CONSIDERATIONS

The actions recommended in this report are consistent with previously approved policies and federal requirements.

ENVIRONMENTAL REVIEW

CDBG and HOME

Commitment of funding for new projects that could result in a direct or indirect physical change to the environment is subject to environmental review under the California Environmental Quality Act (CEQA) if implementation of the projects is authorized as part of the budgeting process.

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All new federally funded projects are subject to environmental review under the requirements of the National Environmental Policy Act (NEPA) and per HUD regulations prior to any commitment of federal funds for expenditure unless they are exempt from such review.

Many of the Action Plan's new projects are exempt or categorically excluded from environmental review under CEQA and NEPA. Some of the programs contained in the action plan do not include specific projects, or actions on specific properties as these projects and properties have not yet been defined. As projects and properties are identified, additional environmental review under CEQA and/or NEPA will be required prior to any discretionary action or choice limiting action. These projects cannot be approved until further environmental review is completed. Attachment 2 and 3 contain specific information regarding CEQA and NEPA review and findings for specific projects.

ESG

The authority for environmental review of HUD-assisted projects and activities carried out under the Emergency Solutions Grant (ESG) Program is NEPA, related environmental laws and authorities, and 24 CFR Part 50. The HEARTH Act of 2009 repealed prior assumption authority to allow states and units of local government to perform HUD's environmental review responsibility for the ESG Program. Therefore the use of procedures under 24 CFR Part 58 – Environmental Review Procedures for Entities Assuming HUD's Environmental Responsibilities – is not authorized.

Per 24 CFR Part 50.19(b), the Action Plan ESG activities included in the 2014 Action Plan for services and staff will have no physical impact on the environment. These are considered supportive services and are categorically excluded under NEPA. These programs are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Attachment3 contains specific information regarding CEQA and NEPA review and findings for ESG.

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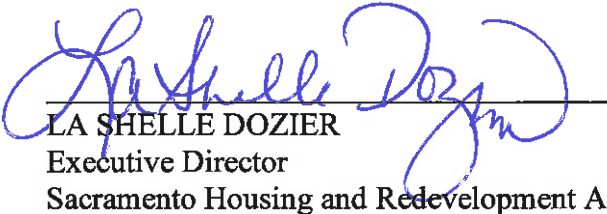
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M/WBE AND SECTION 3 CONSIDERATION

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 they may be applicable.

Respectfully submitted,

APPROVED


LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

BRADLEY J. HUDSON
County Executive

Attachments:

- RES County BOS Resolution
- ATT 1 Defunded Prior Year's Activities for 2015 One-Year Action Plan
- ATT 2 Proposed 2015 One-Year Action Plan Activities
- ATT 3 Environmental Determination
- ATT 4 CDBG Guide to National Objectives and Eligible Activities For Low- to Moderate-Income (L/M) Services Areas
- ATT 4 2013 – 2017 Consolidated Plan Priority Low/Mod Areas

RESOLUTION NO. _____

APPROVAL AND ADOPTION OF THE 2015 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP (HOME) AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS, AMENDMENT OF VARIOUS YEARS' ACTION PLANS; AND AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY BUDGET; AUTHORIZATION TO RELEASE A REQUEST FOR PROPOSALS FOR THE REGIONAL ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE AND AUTHORIZATION TO ENTER INTO A CONTRACT; AUTHORIZATION TO ISSUE A NOTICE OF FUNDING AVAILABILITY AND AUTHORIZATION TO ENTER INTO CONTRACTS; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS AND OTHER ENVIRONMENTAL RELATED FINDINGS

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires adoption of a Five-Year Consolidated Plan (Con Plan) and annual Action Plan, consistent with the Con Plan, to identify the programs and projects for expenditure of federal CDBG, HOME and ESG funds; and

WHEREAS, since 1982 the Sacramento Housing and Redevelopment Agency (SHRA) on behalf of its constituent entities has served as the public entity designated to efficiently administer the CDBG, HOME and ESG funding originating from HUD on behalf of the County of Sacramento; and

WHEREAS, with the release of the 2013 Notice of Funds Availability (NOFA), the 2013 Consolidated Plan recognized the modifications to regulations for the Continuum of Care and enactment of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, for rental assistance to be administered by the Public Housing Agency (PHA). The County designated its PHA, staffed by SHRA, to administer rental assistance programs; and

WHEREAS, community development grants from HUD administered directly by the recipient are required to secure environmental clearance. SHRA is designated as the agent for the County, and is the general unit of local government for the purpose of environmental

Approval and Adoption Of The 2015 One-Year Action Plan And Previous Years' Action Plan Amendments

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clearance on the County's behalf and on behalf of non-profit organizations which are sub-grantees;

WHEREAS, in November 2004, the California voters passed Proposition 63, as an initiative, and the Mental Health Services Act became law effective January 1, 2005. In January 2007 (by Resolutions 2007-0082, 2007-0083 and 2007-0084), the Board of Supervisors approved the Department of Health and Human Services (DHHS), Division of Mental Health and SHRA to entered into a Memorandum of Understanding to fund the development/rehabilitation of permanent supportive housing units, as detailed in the Sacramento County Mental Health Services Act (MHSA) expenditure plan; and

WHEREAS, a duly noticed public hearing soliciting comments on the 2015 One-Year Action Plan and previous years' Action Plans was held on October 15, 2014 by the Sacramento Housing and Redevelopment Commission.

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

Section 1. All evidence presented having been duly considered, the Sacramento County Board of Supervisors accepts the findings, including the environmental findings regarding this action, as stated in Attachment 2 and 3, are approved.

Section 2. Adopts the One-Year Action Plan amendment, to defund the activities as described in Attachment 1 and SHRA is directed to amend its budget accordingly.

Section 3. Adopts the 2015 One-Year Action Plan which allocates anticipated CDBG, HOME and ESG funds to various programs and projects as set forth in Attachment 2 and SHRA is directed to amend its budget accordingly.

Approval and Adoption Of The 2015 One-Year Action Plan And Previous Years' Action Plan Amendments

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Section 4. SHRA is authorized to amend the allocation of CDBG funding for programs and projects in accordance with changes to prior Action Plans; allocate the CDBG, HOME, and ESG grant funding for programs and projects as set out in the 2015 Action Plan; and to amend the 2015 CDBG Unallocated Capital Reserve, HOME and ESG budgets if HUD award is less or greater than anticipated to the extent necessary to implement and ensure the timely completion of the activities set out in the 2015 One-Year Action Plan.

Section 5. Approves the revised Rio Linda Community Center Rehabilitation Project description as described in the body of this report.

Section 6. SHRA is authorized to appropriate \$730,000 in Mental Health Services Act (MHSA) funds to the Martin Luther King Village project as described in Attachment 2 and amend its budget accordingly.

Section 7. The County Executive, or designee, is authorized to execute agreements with SHRA to carry out Action Plan activities in compliance with adopted policies, guidelines, regulations and federal law as approved to form by County Counsel.

Section 8-. SHRA is authorized to make any budget adjustments and execute any and all related documents, including invoicing, contracts and amendments as necessary to carry out the federal and local programs per SHRA adopted policies, guidelines, regulations and federal law as approved to form by SHRA Counsel.

Section 9. SHRA is delegated the authority to act as agent on behalf of the County to execute the Action Plan grant agreements with HUD and the agreements and contracts with the appropriate entities to carry out the CDBG, HOME and ESG funded activities in the amended prior years' Action Plan and in accordance with the 2015 One-Year Action Plan. Such agreements shall be consistent and in compliance with applicable federal laws and regulations and approved to form by SHRA Counsel.

Section 10. SHRA is authorized to submit the 2015 Action Plan and previous Action Plans, to HUD.

Approval and Adoption Of The 2015 One-Year Action Plan And Previous Years' Action Plan Amendments

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Section 11. SHRA is authorized to issue a request for proposal for the Regional Analysis of Impediments to Fair Housing Choice, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.

Section 12. SHRA is authorized to issue a CDBG Notice of Funding Availability (NOFA) as described in Attachment 2, to execute related contracts / agreements as approved to form by SHRA Counsel and amend its budget accordingly.

Section 13. SHRA is authorized to solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with adopted CDBG and Agency Procurement Policy and Procedures in support of implementing approved CDBG activities.

Section 14. SHRA is authorized to issue a request for proposal for the Emergency Repair Program, to execute related contracts / agreements as approved to form by SHRA Counsel and to amend its budget accordingly.

Approval and Adoption Of The 2015 One-Year Action Plan And Previous Years' Action Plan
Amendments

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On a motion by Supervisor _____, seconded by Supervisor _____,
the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of
Sacramento, State of California this 4th day of November, 2014, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

Chair of the Board
of Supervisors of
Sacramento County,
California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors

**County of Sacramento
2015 Action Plan
Proposed Funding Transfers**

Activities being defunded are those that have been suspended or canceled. Newly funded activities are scheduled to be implemented and completed within 18 months to comply with federal regulations governing the timely expenditure of funds. Staff recommends proposed funding transfers be appropriated to activities as described in Attachment 2.

Proposed Funding Transfers	2014 Action Plan Amendment Amount	2015 Action Plan Amount	From
Commercial Revolving Loan Fund (RLF): Staff recommends transferring a portion of existing loan proceeds to the CDBG Program Income (PI) Fund.	\$45,000	\$310,000	CDBG RLF
First-Time Homebuyer RLF: Staff recommends transferring a portion of existing loan proceeds to the CDBG PI Fund.	\$10,000	\$240,000	CDBG RLF
Multi-Family Rehabilitation RLF: Staff recommends transferring a portion of the existing loan proceeds to the CDBG PI Fund.	\$30,000	\$300,000	CDBG RLF
New Seasons Apartments Single-Family RLF: This project was canceled in 2013 and staff recommends defunding the project and returning allocation to the CDBG PI Fund.	\$347,220.69	\$0.00	CDBG RLF
New Seasons Apartments First-Time Homebuyer RLF: This project was canceled in 2013 and staff recommends defunding the project and returning allocation to the CDBG PI Fund.	\$352,779.31	\$0.00	CDBG RLF
Single-Family Rehabilitation RLF: Staff recommends transferring a portion of existing loan proceeds to the CDBG PI Fund.	\$725,000	\$0.00	CDBG RLF
CDBG Program Income Fund: Staff recommends unallocated CDBG PI Funds be appropriated for the 2015 Purchase and Resale Entity (PRE) Housing Program as described in Attachment 2.	\$0.00	\$43,064	CDBG PI
Subtotal	\$1,510,000	\$893,064	\$2,403,064
2014 Galt Quiet Zone Safety Project: This project has been requested by the City of Galt to have its funding reduced by \$75,000 and funds returned to CDBG Unallocated Capital Reserve for allocation to the 2015 Galt Central Corridor Street Improvements project.	\$75,000	\$0.00	Reduced CDBG Activity
2014 Consolidated Planning: This project is canceled and staff recommends the project be defunded and funds returned to CDBG Unallocated Capital Reserve.	\$100,000	\$0.00	Canceled CDBG Activity
2013 Water Systems Improvements: This project is canceled and staff recommends the project be defunded and funds returned to CDBG Unallocated Capital Reserve.	\$150,000	\$0.00	Canceled CDBG Activity
Unallocated Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities in 2014.	\$111,996	\$0.00	Unallocated Capital Reserve
Subtotal	\$436,996	\$0.00	\$395,000
Mental Health Services Act (MHSA) Fund: Staff recommends MHSA funds be appropriated for the Martin Luther King Village Project.	\$206,000	\$0.00	MHSA Fund
Mental Health Services Act (MHSA) Fund: Staff recommends MHSA funds be appropriated for the Martin Luther King Village Project.	\$524,000	\$0.00	MHSA Operating Reserve
Subtotal	\$730,000	\$0.00	\$730,000
Total Funding Transfer	\$2,676,996	\$893,064	\$3,570,060

**County of Sacramento
2015 One-Year Action Plan and Previous Years' Activities**

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

The Five-Year Consolidated Plan outlines proposed strategies for the expenditure of CDBG, HOME and ESG funds for the period 2013-17. In general, the mission of the Consolidated Plan is to revitalize selected lower-income neighborhoods and to assist disadvantaged populations by providing adequate public facilities and services, generating affordable housing opportunities, and stimulating economic development.

The One-Year Action Plan, and amendments, are updates to the Consolidated Plan. A key component of the One-Year Action Plan is the allocation of funds to proposed activities. This portion of the plan describes activities the jurisdiction will undertake in the coming year, including geographic locations and proposed accomplishments. Proposed activities address the priority needs and specific objectives of the 2013-17 Consolidated Plan, adopted by the Board of Supervisors on January 8, 2013.

The Sacramento Housing and Redevelopment Agency (SHRA), as the direct recipient of HUD funding, assumes the responsibility for environmental review, decision-making, and actions under the National Environmental Policy Act (NEPA). SHRA is also the lead agency for Agency initiated projects under the California Environmental Quality Act (CEQA). This Exhibit includes NEPA and CEQA citations as reference unless otherwise indicated. Additional information on environmental review can be found in Attachment 3.

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

Proposed activities are based on the following estimated revenues:

Revenue Source	Previous Years Reprogramming	2015 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,815,600	\$4,815,600
CDBG Program Income*	\$1,510,000	\$893,064	\$2,403,064
CDBG Unallocated Capital Reserve	\$436,996	\$0	\$436,996
HOME Entitlement	\$0	\$1,904,792	\$1,904,792
HOME Program Income*	\$0	\$810,444	\$810,444
ESG Entitlement	\$0	\$392,047	\$392,047
Mental Health Services Act Funds	\$730,000	\$0	\$730,000
Revenue Subtotal	\$2,676,996	\$8,815,947	\$11,492,943
2015 and Previous Years' Total	\$11,492,943		

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

The following summarizes proposed activities for 2015 and previous years. Activities are organized into the following categories; funding totals for each category are indicated.

Funding Category	Previous Years Reprogramming	Proposed 2015 Funding	Total
Infrastructure and Public Improvements	\$870,000	\$2,478,090	\$3,348,090
Housing Development, Preservation and Public Services	\$990,000	\$3,892,986	\$4,882,986
Agreement Cities	\$0	\$1,147,643	\$1,147,643
Grant Planning and Administration	\$675,000	\$300,000	\$975,000
CDBG Capital Reserve	\$50,000	\$789,224	\$839,224
Funding Subtotal	\$2,585,000	\$8,907,943	\$11,492,943
Proposed Funding Total	\$11,492,943		

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS

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

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Twin Rivers (Dos Rios) TOD and Light Rail Station Initiative: Funds to provide for costs related to delivery, environmental review/clearance, real property acquisition, environmental remediation, predevelopment costs and infrastructure planning and analysis.	\$0	\$475,000	\$475,000	CDBG PI	03K	LMA	Environmental review is complete. See Attachment 3.
	\$0	\$475,000	\$475,000	CDBG	03K	LMA	
Twin Rivers TOD Light Rail Station Initiative Subtotal			\$950,000				
Neighborhood Livability Initiative: Projects to include streetlight conversion to LED in the Avenues neighborhood, asphalt pavement replacement and ADA compliant sidewalk ramp installation in South Oak Park area, install new curb/gutter/sidewalk (Watt Ave - Shady Ln to Sierra View Ln, Hurley Way - between Jonas Ave and Morse Ave, north side only), 44th Ave pedestrian overcrossing community outreach.	\$520,000	\$0	\$520,000	CDBG PI	03	LMA	See Attachment 3.
	\$0	\$1,125,000	\$1,125,000	CDBG	03	LMA	
Neighborhood Initiative Subtotal			\$1,645,000				

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Public Facility Notice of Funding Availability (NOFA): SHRA to issue and award a NOFA for CDBG-eligible capital improvements to a public facility located in low- and moderate-income area.	\$0	\$100,000	\$100,000	CDBG	03E	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Capital Improvements Scoping: Funding for early cost estimates, resource identification, conceptual design, environmental studies and/or the development of plans, strategies and studies for CDBG-eligible projects. Location and scope to be determined by an internal process of requests on first-come, first-served basis. CDBG staff to determine eligibility.	\$0	\$100,000	\$100,000	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15061(b)(3).

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
McComber Parking Lot Improvements Project: Funds to provide for improvements to the existing gravel parking lot, including drainage, sewer/utility lines, surfacing, striping, lighting, landscaping, irrigation and signage.	\$230,000	\$0	\$230,000	CDBG PI	03E	LMA	Environmental review is underway See Attachment 3
McComber Parking Lot Subtotal			\$350,000				
Public Improvements Delivery: Staffing and supportive services for Choice Neighborhoods Initiative, Section 3 related activities, environmental and capital improvement projects in 2015	\$0	\$203,090	\$203,090	CDBG	03	LMA	Environmental review is complete NEPA Exempt per 24 CFR 58.34(a)(3) CEQA Exempt per Guidelines Section 15061(b)(3)
Subtotal Infrastructure and Public Improvements	\$870,000	\$2,478,090					
Total Infrastructure and Public Improvements			\$3,348,090				

AGREEMENT CITIES								
Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance	
Folsom - Seniors Helping Seniors Handyman Program: Funds to be used for the City's Seniors Helping Seniors Handyman Program which includes minor repairs to correct health and safety deficiencies	\$0	\$150,000	\$150,000	CDBG	14A	LMH	Environmental review is complete. See Attachment 3.	
Isleton - Bing Kong Tong Historic Rehabilitation - Funds to provide for costs related to spot/blight removal and health/safety, including, environmental, design and construction of handicapped-accessibility improvements (e.g., restroom and lift), fire suppression, stairs, wall (interior/exterior), floors, ceiling, HVAC, electrical, plumbing, painting, signage and lighting.	\$500,000	\$0	\$500,000	CDBG PI	16B	SBS	Environmental review is underway. See Attachment 3.	
	\$100,000	\$0	\$100,000	CDBG	16B	SBS		
Bing Kong Tong Historic Rehabilitation Subtotal			\$600,000					
Galt - Central Corridor Street Improvements: Funds to be used for the design of complete street improvements on 4th Street and C Street in Historic Old Town and Downtown. Improvements consist of enhanced pedestrian, landscaping and drainage improvements.	\$75,000	\$150,000	\$225,000	CDBG	03K	LMA	Environmental review is complete. NEPA Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA Exempt per Guidelines Section 15061(b)(3).	
Subtotal Agreement Cities	\$675,000	\$300,000						
Total Agreement Cities			\$975,000					

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP							
Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Multi-Family Housing Acquisition and Rehabilitation: Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family housing	\$0	\$772,643	\$772,643	HOME	NA	NA	See Attachment 3
	\$0	\$364,700	\$364,700	HOME PI	NA	NA	
Multi-Family Housing Acquisition and Rehabilitation Subtotal			\$1,137,343				
Multi-Family Housing New Construction: Provides loans for the construction of low- and moderate-income multi-family housing.	\$0	\$772,643	\$772,643	HOME	NA	NA	See Attachment 3
	\$0	\$364,700	\$364,700	HOME PI	NA	NA	
Multi-Family Housing New Construction Subtotal			\$1,137,343				
City of Citrus Heights First-Time Homebuyer Program: Provides down payment assistance, closing costs, homeownership education and counseling to income eligible first-time homebuyers	\$0	\$178,418	\$178,418	HOME	NA	NA	Environmental review is complete. NEPA Exempt per 24 CFR 58.34(a)(4) and Cat Ex per 24 CFR 58.35(b)(1) and (b)(2). CEQA Exempt per Guidelines Section 15061(b)(3)
Purchase and Resale Entity (PRE) Housing Program: Provides loans and/or grants to rehabilitate low- and moderate-income single- and multi-family housing; including owner-occupied and rental units.	\$0	\$418,064	\$418,064	CDBG PI	14A	LMH	Environmental review is underway. See Attachment 3.
	\$0	\$81,936	\$81,936	CDBG	14A	LMH	
PRE Housing Program Subtotal			\$500,000				

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Veterans/Multi-Family Housing Rehabilitation Program: Provides loans and/or grants to rehabilitate low- and moderate-income multi-family housing units.	\$0	\$500,000	\$500,000	CDBG	14B	LMH	See Attachment 3
Emergency Repair Program/Accessibility Grant Program (ERP-A): Provides funds for the program and its administration, staffing and delivery. This program provides grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs and grants of up to \$5,000 each to low-income disabled residents for accessibility modifications.	\$0	\$100,000	\$100,000	CDBG	14A	LMH	Environmental review is complete. See Attachment 3
Minor Repair & ADA for Seniors and Low-Income Homeowners Program: Provides for administrative costs associated with minor home repairs for low- and moderate-income homeowners and the administrative oversight for the Home Assistance Repair Program for Seniors (HARPS).	\$0	\$46,000	\$46,000	CDBG	14H	LMH	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Martin Luther King Village Project: Funds to provide for rehabilitation of 80 residential kitchens and new construction of two counseling offices at the existing permanent supportive housing development which serves the mentally ill. Construction to include Rehabilitation to include, walls, floors, windows, electrical, painting, flooring, refrigerators, counter- and stove tops and exhaust vents/hoods.	\$260,000	\$0	\$260,000	CDBG PI	14B	LMH	Environmental review is complete NEPA. Categorically Exempt per 24 CFR 58.35(a)(3)(iii) CEQA. Exempt per Guidelines Section 15061(b)(3).
Martin Luther King Village Project: Funds to provide for Operating Reserves required to cover on-going operating costs of the new construction of two counseling offices at the existing permanent supportive housing development which serves the mentally ill.	\$206,000	\$0	\$206,000	MHSA	NA	NA	
	\$524,000	\$0	\$524,000	MHSA	NA	NA	
			\$990,000				

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Housing Programs Delivery: Supportive services for affirmatively furthering fair housing, affordable housing/multi-family rehabilitation/new construction, Section 3 related activities, environmental and emergency repair/accessibility programs in 2015	\$0	\$293,882	\$293,882	CDBG	14A.14B/ 14G	CDBG	Environmental review is complete. NEPA Exempt per 24 CFR 58.34(a)(3). CEQA Exempt per Guidelines, Section 15061(b)(3).

**Subtotal Housing Development,
Preservation and Homeownership**

\$990,000

\$3,892,986

**Total Housing Development, Preservation
and Homeownership**

\$4,882,986

PUBLIC SERVICES

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

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Emergency Solutions Grant: Funds to provide homeless prevention and rapid re-housing in addition to emergency housing/shelters, delivery, operations and maintenance of facilities and essential supportive services per ESG regulations,	\$0	\$362,643	\$362,643	ESG	NA	NA	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 50.19(b). CEQA: Exempt per Guidelines Section 15061(b)(3).
Homeless Activities: Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, detoxification, medical and counseling services, and the provision of food.	\$0	\$355,000	\$355,000	CDBG	05	LMC	Environmental review is complete. NEPA: Exempt per 24 CFR 58(a)(3) and (4). CEQA: Exempt per Guidelines Section 15061(b)(3).
Meals on Wheels: Provides meals to homebound seniors and to non-homebound seniors at over 20 dining sites	\$0	\$430,000	\$430,000	CDBG	05A	LMC	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Public Services	\$0	\$1,147,643					

GRANT PLANNING AND ADMINISTRATION

The following are related to immediate/intermediate term program planning, community participation and general program administration. For CDBG, HUD limits funding for planning and administration to 20 percent of the total amount of entitlement and program income. For HOME, the limit is 10 percent. For ESG, the limit is 7.5 percent.

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Consolidated Planning: Planning related to public facility and infrastructure improvements, affordable housing and homeless/HEARTH Act activities.	\$0	\$100,000	\$100,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Analysis of Impediments to Fair Housing Choice: Provides funds for the solicitation and award of a consultant contract to develop the Analysis.	\$0	\$100,000	\$100,000	CDBG	21D	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Fair Housing Activities: Provides funds to further fair housing, including outreach, referral and other eligible activities to affirmatively further fair housing	\$50,000	\$0	\$50,000	CDBG	21D	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(4). CEQA: Exempt per Guidelines Section 15061(b)(3).

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
ESG Program Administration: Administrative services for the implementation of ESG-funded activities in 2015.	\$0	\$29,404	\$29,404	ESG	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Home Program Administration: Administrative services for the implementation of HOME-funded activities in 2015.	\$0	\$181,088	\$181,088	HOME	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
	\$0	\$81,044	\$81,044	HOME PI	NA	NA	
HOME Program Administration Subtotal			\$262,132				

Activity Name	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Section 3 Program Delivery: Supportive services for First Source Sacramento and Section 3 related activities in 2015.	\$0	\$15,000	\$15,000	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3); CEQA: Exempt per Guidelines Section 15061(b)(3)
CDBG Planning and Administration: Administrative & Planning services for CDBG programs in 2015.	\$0	\$282,688	\$282,688	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Subtotal Grant Planning and Administration:	\$50,000	\$789,224					
Total Grant Planning and Administration:			\$839,224				

CAPITAL RESERVE	Previous Years Reprogramming	2015 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
<p>Capital Reserve: Reserve account for overruns in capital improvement activities and to fund budgeted activities in 2015 if CDBG entitlement is less than anticipated. The reserve is also available to cover unanticipated project and program costs to bring an activity to completion. The full amount of the reserve is available to ensure the timely completion of the activities.</p>	\$0	\$300,000	\$300,000	CDBG	22	NA	Not subject to environmental review.

**County of Sacramento
Environmental Determination**

Twin Rivers (Dos Rios) TOD and Light Rail Station Initiative: Funds to provide for costs related to delivery, environmental review/clearance, real property acquisition, environmental remediation, predevelopment costs and infrastructure planning and analysis. Environmental review for this activity was completed on 9/5/14. This activity is Exempt under NEPA per 24 CFR 58.34(a)(1), (a)(3), (a)(5), (a)(8) and Categorical Excluded per 24 CFR 58.35(a)(1), (a)(5), (b)(3) and (b)(6) and Exempt under CEQA per Guidelines Sections 15262 “Feasibility and Planning Studies” and 15061(b)(3).

McComber Parking Lot Improvements Project: Funds to provide for improvements to the existing gravel parking lot, including drainage, sewer/utility lines, surfacing, striping, lighting, landscaping, irrigation and signage. Review for this activity is underway and will be Categorical Excluded under NEPA per 58.35(a)(1) and Categorical Exempt under CEQA per Guideline Section 15301.

Neighborhood Livability Initiative:

Avenues Streetlight Conversion Project: Project will replace 84 existing High Pressure Sodium (HPS) streetlights with LED fixtures in the Avenues neighborhood. The streets include:

South Oak Park Enhancement Project: Place new asphalt pavement and install ADA compliant sidewalk ramps on the following streets:

Parker Avenue – 44th St to Stockton Blvd
45th St – Roosevelt Ave to Parker Ave
48th St – Roosevelt Ave to Parker Ave
49th St – Roosevelt Ave to Parker Ave

Additional language to be inserted. Language coming from Serna’s office.

Watt Avenue Pedestrian Enhancement Project: Install new curb, gutter and sidewalk along Watt Avenue between Shady Lane and Sierra View Lane.

Hurley Way Pedestrian Enhancement Project: Install new curb, gutter and sidewalk along the north side of Hurley Way between Jonas Avenue and Morse Avenue.

44th Avenue Pedestrian/Beautification Project: Community outreach for completion of development/design for a project providing an accessible pathway from the western limit of the Highway 99 pedestrian overcrossing at 44th Avenue and constructing landscape improvements, decorative walls and other beautification measures to increase neighborhood livability. The recommended action is exempt under NEPA per 24 CFR 58.34(a)(1) and exempt under CEQA per Guidelines Section 15061(b)(3).

With the exception of the 44th Avenue project, environmental review for these activities is underway and they will be Categorical Excluded under NEPA per 58.35(a)(1) and Categorical Exempt under CEQA per Guideline Section 15301.

Folsom Seniors Helping Seniors Handyman Program: Funds to be used for the City's Seniors Helping Seniors Handyman Program which includes minor repairs to correct health and safety deficiencies. Administration and delivery/staff costs are exempt under NEPA per 24 CFR 58.34(a)(3) and Exempt under CEQA per Guidelines Section 15061(b)(3). The repair component activities are Exempt under NEPA per 24 CFR 58.34(a)(10) and Categorically Excluded per 58.35(b)(3) and Categorically Exempt under CEQA per Guidelines Section 15301. Review is complete for this activity. However, any activities not covered under this environmental review are subject to additional review under CEQA and/or NEPA prior to project commencement.

Isleton Bing Kong Tong Historic Rehabilitation: Funds to provide for costs related to spot/blight removal and health/safety, including, environmental, design and construction of handicapped-accessibility improvements (e.g., restroom and lift), fire suppression, stairs, wall (interior/exterior), floors, ceiling, HVAC, electrical, plumbing, painting, signage and lighting. This activity provides supplemental assistance with slight modifications to the original scope of work. Environmental review for this project was completed in 2013. In concurrence of project continuation, SHRA is currently in consultation with SHPO in regards to any modifications to the original scope of work.

Veterans/Multi-Family Acquisition and Rehabilitation Program: This program provides funding for the acquisition and rehabilitation of low- and moderate-income multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for acquisition and/or rehabilitation, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Multi-Family Housing New Construction: Loans for the construction of multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for new construction, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Purchase and Resale Entity (PRE) Housing Program: Provides loans and/or grants to rehabilitate low- and moderate-income single- and multi-family housing; including owner-occupied and rental units. The recommended actions are categorically exempt under California Environmental Quality Act Guidelines Section 15301 and will be categorically excluded under National Environmental Policy Act regulations, pursuant to 24 CFR 58.35(a)(3)(i) and 24 CFR 58.35(a)(5). Two of the properties (6589 Melrose Dr., 6505 La Cienega Dr.) lie within a special flood hazard area and are subject to additional environmental review per 24 CFR 55.20.

Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides funding for the program's administration, delivery/staff costs and grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications. Administration and delivery/staff costs are exempt under NEPA per 24 CFR 58.34(a)(3) and Exempt under CEQA per Guidelines Section 15061(b)(3). The emergency repair/accessibility component includes repairs and improvements to existing structures to control threats to public safety and accessibility improvements which will remove barriers that restrict mobility of and accessibility by elderly and disabled persons. These activities are Exempt under NEPA per 24 CFR 58.34(a)(10) and Categorically Excluded per 58.35(b)(3) and Categorically Exempt under CEQA per Guidelines Section 15301. Review is complete for this activity. However, any activities not covered under this environmental review are subject to additional review under CEQA and/or NEPA prior to project commencement.

Rio Linda Community Center Rehabilitation Project: The Rio Linda Community Center Rehabilitation Project (CDBG funding: \$150,000) was approved on October 22, 2013 by Resolution 2013-0730 to design and rehabilitate the Community Center's kitchen which was cleared environmentally. The current Action Plan proposes changing the scope of work to include upgrading the existing fire alarm system to current fire code and installation of handicapped-accessibility features to the existing restrooms. The same environmental review requirements apply to the new proposed scope of work. The environmental review record on file has been updated and approved. This activity is Categorically Excluded under CEQA per 24 CFR 58.35(a)(2) and 58.35(b)(3) and Exempt under NEPA per 15061(b)(3).

Howe Avenue Safety, Pedestrian and Bike Project: The Howe Avenue Safety, Pedestrian and Bike Project was approved by the Board of Supervisors on January 8, 2013 as part of the 2013 One-Year Action Plan. The project was subsequently analyzed in accordance with the California Environmental Quality Act (CEQA) and a Negative Declaration (ND) was prepared. The project was approved and the ND was adopted by the Board of Supervisors, as lead agency, on July 15, 2014. The recommended actions do not constitute a new project or substantive changes or modifications to the approved project. As required by State CEQA Guidelines § 15096(f), the Sacramento Housing and Redevelopment Agency has considered the environmental effects of the proposed project as shown in the ND. Because there is neither any new information of substantial importance nor any substantial changes with respect to the circumstances under which the project will be undertaken that would require preparation of supplemental environmental documentation, the recommended actions do not require further environmental review per State CEQA Guidelines §§ 15162 or 15163. These specific actions are also categorically excluded under National Environmental Policy Act (NEPA) regulations pursuant to 24 CFR 58.35(a)(1).

2015 One-Year Action Plan

**Sacramento Housing and Redevelopment Agency
Federal Programs Division
CDBG Guide to National Objectives and Eligible Activities
For Low- to Moderate-Income (L/M) Services Areas**

The U.S. Department of Housing and Urban Development's Community Block Grant (CDBG) program describes an area benefit activity as an activity *which is available to benefit all the residents of an area which is primarily residential*. In order to qualify as addressing the national objective of benefit to L/M income persons on an area basis, an activity must meet the identified needs of L/M income persons residing in an area where at least 51% of the residents are L/M income persons. The benefits of this type of activity are available to all residents in the area regardless of income.

The requirement that an area benefit activity must qualify on the basis of the income levels of the persons who reside in the area served by the activity is statutory. (See section 105(c)(2) of the Housing and Community Development Act of 1974 as amended.) This means that the activity may not qualify as meeting the L/M income area benefit national objective on any other basis. For example, if the assisted activity is a park (park category descriptions begin on page 5) that *serves* an area having a L/M income concentration that falls below the required percentage, the activity may not qualify even if there is reason to believe that the park will actually be *used* primarily by L/M income persons. This means that, even though a predominantly L/M income neighborhood may be one of several neighborhoods served by an activity (e.g., a grocery store) the percentage of L/M income persons in the *total area served by the activity* is considered for this purpose.

Certain activities that serve an area are designed to meet the needs of only some persons in that area. An example of this would be a facility that is used exclusively as a senior center for a particular neighborhood. Such area benefit activities serving special needs usually must qualify under the Limited Clientele subcategory of the L/M Income Benefit national objective.

Typical area benefit activities include:

- Street improvements
- Water and sewer lines
- Neighborhood facilities

2015 One-Year Action Plan

Records to be Maintained:

The records that must be kept to demonstrate include:

- Boundaries of the service area and the basis for determining those boundaries, and
- The percentage of L/M income persons in the service area and the data used for determining that percentage.

The factors to be considered in making the determination of the area served are:

- The nature of the activity
- The location of the activity
- Accessibility issues
- The availability of comparable activities

Nature of Activity

In determining the boundaries of the area served by a facility, its size and how it is equipped need to be considered. For example, a park that is expected to serve an entire neighborhood cannot be so small or have so little equipment (number of swings, slides, etc.) that it would only be able to serve a handful of persons at any one time. Conversely, a park (see below for park categories) which contains three ball fields, or a ball field with grandstands that can accommodate hundreds of spectators, could not reasonably be said to be designed to serve a single neighborhood. The same comparison would apply to the case of assisting a small, two-lane street in a residential neighborhood versus that of assisting an arterial four-lane street that may pass through the neighborhood but is clearly used primarily by persons passing through from other areas.

Location of Activity

Where an activity is located will also affect its capacity to serve particular areas, especially when the location of a comparable activity is considered. A library, for example, cannot reasonably be claimed to benefit an area that does not include the area in which it is located. When a facility is located near the boundary of a particular neighborhood, its service area would be expected to include portions of the adjacent neighborhood as well as the one in which it is located.

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Accessibility

The accessibility of the activity also needs to be considered in defining the area served. For example, if a river or an interstate highway forms a geographic barrier that separates persons residing in an area in a way that precludes them from taking advantage of a facility that is otherwise nearby, that area should not be included in determining the area served. Other limits to accessibility may apply to particular activities. For example, the amount of fees to be charged, the time or duration that an activity would be available, access to transportation and parking, and the distance to be traveled can all constitute barriers to the ability of persons to benefit. Language barriers might also constitute an accessibility issue in a particular circumstance.

Comparable Activities

The nature, location, and accessibility of comparable facilities and services must also be considered in defining a service area. In most cases, the service area for one activity should not overlap with that of a comparable activity (e.g., two community centers, two clinics, or two neighborhood housing counseling services).

"Fit" of Service

Because the regulations require that census data be used to the maximum extent feasible for determining the income of persons residing in service areas, the boundaries of the service area determined by the grantee for the activity need to be compared with the boundaries of census divisions (tracts, block groups, etc.). The census divisions that best fall within the service area should be used for defining the service area for purposes of reporting on the activity and for calculating the percentage of L/M income persons residing in that area. While this means that the census divisions chosen for this purpose may exclude some limited number of persons that are in the actual service area or include some who are not, the practicality of using the census data will override unless the proportion of persons so excluded or included is too great. The alternative would be to survey excluded/included persons and to adjust the data obtained from the census computer runs accordingly. Surveys can be quite costly and their use should be limited whenever possible.

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Notice CPD-14-11

On June 10, 2014, Notice CPD-14-11 was issued and it superseded Notices CPD-03-03 and 07-01. CPD-14-11 describes policy guidance regarding the updated 2014 L/M Income Summary Data (LMISD). The LMISD support the CDBG National Objective of providing benefit to l/m income persons on an area basis. The effective date of the Notice was July 1, 2014. Upon July 1, 2014, if the service area benefit activity no longer qualifies per 24 CFR 570.208(a)(1) because of the updated LMISD demonstrates a percentage of l/m income persons that is not at least 51% or the determined level of exception criteria at 24 CFR 570.208(a)(1)(ii), then starting and/or finishing the activity is to be governed by the guidance provided in the Notice and summarized below.

The Four Part Test

In order for the prior LMISD to remain in use, an activity must meet a four part test which requires:

- An obligation before the effective date of July 1, 2014,
- A specific activity,
- A specific amount, and
- A clearly defined service area.

There are limited exceptions to the four part test. The Federal Programs Manager evaluated projects that were not under an executed agreement by July 1, 2014.

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The following park category descriptions shall be utilized and can be modified at the discretion of the Federal Programs Manager:

Park Category Descriptions

PARK CATEGORY	SIZE IN ACRES	SERVICE AREA	DESCRIPTION
Neighborhood Serving:			
Neighborhood Parks	5 to 10 acres	1/2 mile	A park intended to be used primarily by the people who live nearby, within a half-mile radius of the park. Some neighborhood parks are situated adjacent to an elementary school and improvements are usually oriented toward the recreation needs of children. In addition to landscaping, improvements might include a tot lot, adventure area, and unlighted sport fields or courts.
Urban plazas/ pocket parks	Less than 5 acres	1/2 mile	A specialized neighborhood park or facility to be used primarily by persons living, working or visiting nearby. Likely more appropriate for areas of denser urban and mixed use development. Amenities may include: smaller scale features such as community gardens, children's play areas, sitting areas, tables, fountains, hardscape, public art, walkways and landscaping.
Primary Design Elements			Basic landscaping/irrigation/turf/trees; site furniture/walkways/entry

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improvements/signage/drinking fountain; children's play area (tot lot and adventure area); picnic area with shade structure; sport court; sports field

Community Serving:

Community Parks	10 to 60 acres	2-3 miles; drivable from several neighborhoods	A park or facility developed primarily to meet the requirements of a large portion of the City/County. In addition to neighborhood park amenities, a community park may include: a large group picnic area with shade structure, a community garden, a neighborhood/community Skate Park, restroom, on-site parking, bicycle trail, a nature area, a dog park, lighted sport fields or sport courts. Specialized facilities may also be found in a community park including: a community center, a water play area and/or a swimming pool. Some of the smaller community parks may be dedicated to one use, and some elements of the park may be leased to community groups.
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Primary Design Elements

All Neighborhood Park primary design elements; water element; field lighting; sports complex; amphitheater; restroom; parking lot; nature area

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Regionally Serving:

Regional Parks	Varies; generally larger than comm. parks and/or have destination attraction(s)	Regional	<p>A park or facility developed with a wide range of amenities, which are not found in neighborhood or community parks to meet the needs of the entire City/County of Sacramento population. In addition to those amenities found in neighborhood and community parks, improvements may include: a golf course, marina, amusement area, zoo, and other region-wide attractions. Some facilities in the park may be under lease to community groups.</p> <p><u>Note: Regional parks are not eligible for CDBG funding.</u></p>
Open Space/ Parkways	Varies.	N/A	<p>Open spaces are natural areas that are set aside primarily to enhance the City/County's environmental amenities. Recreational use of these areas may be limited to natural features of the sites, such as native plant communities or wildlife habitat.</p> <p>Parkways are similar to open space areas because they also have limited recreational uses. They are used primarily as corridors for pedestrians and bicyclists, linking residential areas to schools, parks and trail systems. Parkway are typically linear and narrow and may be situated along a waterway, abandoned railroad, or other common corridor.</p> <p><u>Note: Open Space / Parkway are not eligible for CDBG funding.</u></p>



Revised 2013 - 2017 Consolidated Plan Priority Areas

