

November 4, 2015



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT 2016 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(s) which authorize(s) 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 2016 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 anticipated service requirements during 2016 and subsequent years. 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

Attachment 1 outlines the anticipated procurements for 2016 and subsequent years. This list is similar to the types of routine services that have been previously approved by the Commission 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' 2016 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.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The proposed activities have been analyzed in accordance with CEQA and are Exempt pursuant to Guidelines Section 15061(b)(3).

National Environmental Policy Act (NEPA): The proposed activities have been analyzed in accordance with NEPA and are Exempt per 24 CFR 58.34(a)(3) and Categorically Excluded per CFR 58.35(b)(3).

M/WBE, SECTION 3 AND FIRST SOURCE 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. Staff will require SHRA procured contractors to use the First Source Program for employment opportunities.

Respectfully submitted,


LASHELLE 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

November 4, 2015

2016 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) pursuant to Guidelines Section 15061(b)(3), Exempt under the National Environmental Policy Act (NEPA) per 24 CFR 58.34(a)(3) and Categorically Excluded under NEPA per CFR 58.35(b)(3).

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 document imaging, elevator maintenance, environmental consulting services, loan servicing for Agency loans, Microsoft Enterprise license agreement, off-site data storage, property management services, and Yardi software maintenance, 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



October 29, 2015

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

2016 Sacramento Housing and Redevelopment Agency Proposed Budget


SUMMARY

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

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LASHELLE DOZIER
Executive Director

Attachment



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

**Public Hearing
November 10, 2015**

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

Title: 2016 Sacramento Housing and Redevelopment Agency Proposed Budget

Location/Council District: Citywide

Recommendation: Conduct a public hearing and upon conclusion: 1) adopt a **Council Resolution**: a) approving the 2016 Proposed Budget for the Sacramento Housing and Redevelopment Agency (Agency); b) delegating authority to the Agency to administer certain federal funds; c) authorizing the Agency to submit grant applications for activities within the jurisdiction of the Agency; d) authorizing the Agency to enter into contracts, make fund transfers, transfer project appropriations, amend the Agency budget and undertake other actions necessary to implement the delegated authorizations; and e) consenting to the Agency's submittal of the annual housing operating budgets and application for Capital Fund Plan funding to HUD. 2) adopt a **Housing Authority Resolution** : a) approving the 2016 proposed budget for the Housing Authority of the City of Sacramento (Authority); b) delegating authority to administer certain federal funds; c) authorizing the Authority to submit grant applications for activities within the jurisdiction of the Authority; d) authorizing the Executive Director to submit the annual housing operating budgets to HUD and the application to HUD for Capital Fund Plan funding; and e) authorizing the Executive Director to enter into contracts, make fund transfers, transfer project appropriations, amend the Agency budget and undertake other actions necessary to implement the delegated authorizations.

Contact: Tina McKenney, Finance Director, 440-1325, LaShelle Dozier, Executive Director, 440-1319

Presenters: La Shelle Dozier, Executive Director, Tina McKenney, Director of Finance
Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The annual budget of the Sacramento Housing and Redevelopment Agency (Agency) incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the administration of specific funds on behalf of the City and County of Sacramento.

2016 SHRA Proposed Budget

As of February 1, 2012 the fiscal administration of the former Redevelopment Agency of the City and the former Redevelopment Agency of the County were assumed within the management structure of the City and County which elected to administer the affairs of the successor agencies. The budgets of the former redevelopment agencies (Redevelopment Successor Agency) are no longer incorporated within the Agency Budget. The proposed 2016 Budget provides a plan by which the Agency operates in an efficient manner and in compliance with the regulatory requirements of our funding sources and the Government Accounting Standards Board. The Agency's budget and fiscal year is the calendar year from January 1st through December 31st. Neither the City nor the County provides General Fund support for the Agency's budget.

The Agency proposes a balanced budget in the amount of \$180.8 million representing the operational activities and projects for 2016. The 2016 proposed budget represents a \$3.3 million or 1.8 percent decrease in net appropriations compared with the prior year. This change in annual budget appropriations is primarily the result of the following factors: 1) the 2015 award of \$3.0 million in State CalHOME funds was a two year grant so there was no grant award in 2016. 2) a one-time increase in debt service payments in 2015 related to the maturity of a California Housing Finance Agency (CalHFA) Help Loan. 3) a decrease in city housing successor project expenditures due to the wind down of projects.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the overall financial health of the organization, not just the cash flow from year to year;
- Using partnerships with community based organizations and private entities whenever practicable; and
- Developing budget plans that deal with the immediate needs of the Agency and employ strategies that address the long-term needs of the communities we serve.

2016 SHRA Proposed Budget

Calendar Year 2016 Proposed Budget (\$\$\$ In Millions)							
	2012	2013	2014	2015	2016	Variance	
	Budget	Budget	Budget	Budget	Budget	(2015 to 2016)	
OPERATIONS							
Salaries and Benefits	23.3	19.9	19.6	20.9	22.3	1.5	6.9%
Services and Supplies	15.6	14.7	14.8	15.3	17.0	1.7	11.3%
Housing Assistance Payments	101.9	107.2	103.5	108.1	105.6	(2.5)	-2.3%
Debt Service	42.4	3.1	2.3	3.2	2.4	(0.8)	-25.2%
Financial Transactions	31.1	0.9	0.6	0.5	0.4	(0.1)	-24.7%
Public Services	3.6	5.1	4.9	5.2	5.7	0.5	9.0%
Sub-Total	\$217.9	\$151.0	\$145.7	\$153.2	\$153.4	\$0.2	0.2%
CAPITAL PROJECTS							
Housing Development and Preservation	10.1	13.2	14.0	19.4	17.9	(1.5)	-7.7%
Housing Authority Capital Projects	2.1	2.3	4.4	2.9	2.1	(0.7)	-25.3%
Infrastructure and Public Improvements	5.8	3.1	3.5	8.7	7.4	(1.3)	-14.7%
Sub-Total	\$18.0	\$18.6	\$21.9	\$30.9	\$27.4	(\$3.5)	-11.3%
TOTAL	\$235.9	\$169.6	\$167.6	\$184.1	\$180.8	(\$3.3)	-1.8%

Since the elimination of redevelopment, the Agency receives 88 percent of its funding from the federal government through the Department of Housing and Urban Development. The Sequestration cuts of 2013 seriously impacted the Public Housing and Housing Choice Voucher programs, however the passage of a two year budget agreement resulted in a small restoration of funding in 2014 for several housing programs. In 2015, funding for these programs increased slightly and 2016 is expected to be funded at levels similar to 2015.

Federal programs such as CDBG and HOME have not seen much change in appropriation levels since the Sequestration cuts of 2013 and this has reduced the number of housing projects, public services, and infrastructure improvements the Agency can fund. For 2016, it is expected that the Agency programs will be funded at levels similar to 2015.

The following table provides a visual representation of the funding levels for the Agency's major federal programs over the past several years.

City & County Federal Funding (In Millions)							
FUNDING SOURCES	2010	2011	2012	2013	2014	2015 est	2016 est
CDBG	\$ 12.57	\$ 10.47	\$ 8.69	\$ 9.11	\$ 9.09	\$ 9.41	\$ 9.41
HOME	\$ 6.98	\$ 6.16	\$ 3.78	\$ 3.72	\$ 3.91	\$ 3.64	\$ 3.28
Entitlement Programs Sub-Total:	\$ 19.55	\$ 16.63	\$ 12.47	\$ 12.83	\$ 13.00	\$ 13.05	\$ 12.69
PHA OPERATING FUND	\$ 9.36	\$ 10.26	\$ 9.94	\$ 8.80	\$ 10.02	\$ 10.28	\$ 10.27
PHA CAPITAL FUND	\$ 5.48	\$ 4.32	\$ 3.99	\$ 4.02	\$ 3.10	\$ 3.83	\$ 3.97
Public Housing Sub-Total:	\$ 14.84	\$ 14.58	\$ 13.93	\$ 12.82	\$ 13.12	\$ 14.11	\$ 14.24
HCV HAPS	\$ 99.10	\$ 101.10	\$ 103.00	\$ 98.50	\$ 101.02	\$ 100.68	\$ 100.94
HCV ADMINISTRATIVE FEES	\$ 9.30	\$ 8.95	\$ 8.40	\$ 7.57	\$ 8.31	\$ 8.75	\$ 8.00
HCV Sub-Total:	\$ 108.40	\$ 110.05	\$ 111.40	\$ 106.07	\$ 109.33	\$ 109.43	\$ 108.94
EMERGENCY SOLUTIONS GRANT (ESG)	\$ -	\$ -	\$ -	\$ 0.63	\$ 0.92	\$ 0.81	\$ 0.81
SHELTER PLUS CARE	\$ -	\$ 3.76	\$ 4.26	\$ 4.70	\$ 4.80	\$ 4.49	\$ 4.53
HOPWA	\$ -	\$ -	\$ 0.90	\$ 0.86	\$ 0.87	\$ 0.90	\$ 0.90
Public Services Sub-Total:	\$ -	\$ 3.76	\$ 5.16	\$ 6.19	\$ 6.59	\$ 6.20	\$ 6.24

2016 SHRA Proposed Budget

Policy Considerations: The actions recommended in this report are consistent with adopted Consolidated Plan goals, the annual Housing Operating Budget, the Capital Fund Plan, and adopted Agency policies.

For the Housing Authorities of the City and County, serving as Housing Successor to the former redevelopment agencies, the 2016 Proposed Budget contains provisions for rental assistance obligations of the former redevelopment agency previously funded from low and moderate tax increment revenues. These obligations have been reported on the Recognized Obligation Payment Schedule of the City Successor Agency and reviewed by the California Department of Finance without issue. However, obligations reported on the ROPS are subject to challenge every year. If for any reason the State later determines that these activities are not enforceable obligations, the Housing Authority will have no ability to continue to fund these activities.

Economic Impacts: *Not applicable*

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action to adopt the Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are exempt under CEQA pursuant to CEQA Guidelines Section 15061(b).

All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Sustainability Considerations: N/A

Other: The proposed actions to adopt the Budget are considered administrative and management activities and are exempt under the National Environmental Policy Act (NEPA) per 24 CFR 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically excluded under NEPA pursuant to 24 CFR Section 58.35(b)(1), (2), (3) and (4).

2016 SHRA Proposed Budget

All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any choice limiting action(s) being carried out with regard to such projects.

Commission Action:

At its meeting of November 4, 2015, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: The proposed budget provides a fiscal strategy for operations and capital projects during 2016. The budget is in balance and complies with applicable federal, state, and local regulations on the use of the funds. This report recommends adoption of SHRA's Multi-Family Loan and Mortgage Revenue Bond 2016 Application (Attachment _5) for SHRA funded projects. The schedule will allow applicants to apply for funding on certain dates corresponding to the California Tax Credit Allocation Committee (TCAC) and California Debit Limit Allocation Committee (CDLAC) application deadlines.

Financial Considerations: The 2016 Proposed Budget recommends total expenses of \$180.8 million, with the Housing Assistance Payments Budget at \$105.6 million; the Operating Budget at \$39.3 million; the Capital Project Budget at \$27.4 million; the Public Services Budget at \$5.7 million; and, the Debt Service and Financial Transaction Budget at \$2.8 million. The 2016 Proposed Budget of \$180.8 million represents a \$3.3 million or 1.8 percent decrease compared with the total 2015 Adopted Budget.

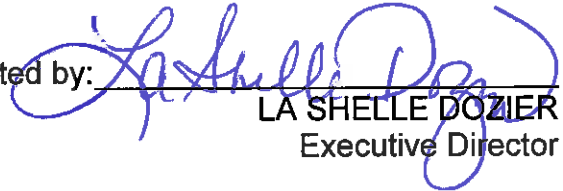
The Agency has adapted to the new economic reality post redevelopment by refocusing the organization's direction and priorities, and fine tuning Agency resources for doing business. Operations have been streamlined over the past several years by strategically reducing operational costs through layoffs, staff attrition, transfers, reduced work schedules, and cuts to services and supplies. To date, these efficiencies have been implemented without a reduction in the number of people we serve.

For 2016, the Agency proposes to maintain its authorized full time equivalent positions at 225 FTE. We also recommend that of the 225 authorized FTE positions, 7.6 positions remain unfunded for the remainder of 2016.

2016 SHRA Proposed Budget

M/WBE/Section 3 and First Source Considerations: The action proposed in this report has no M/WBE or Section 3 impact; therefore, M/WBE or Section 3 considerations do not apply. Use of the First Source Program will be encouraged by all contractors doing business with SHRA to the maximum extent possible.

Respectfully Submitted by:



LA SHELLE DOZIER
Executive Director

Table of Contents

Report	pg. 1
Attachments	
1 Background	pg. 7
2 City Council Resolution	pg. 11
Exhibit A – Summary of Changes to the Agency 2016 Budget	pg. 18
4 Housing Authority of the City of Sacramento Resolution	pg. 19
Exhibit A - Summary of Changes to the Agency 2016 Budget	pg. 29
Exhibit B -1 - 2016 City Public Housing Asset Management Projects (AMP) and Central Office Cost Center (COCC)	pg. 30
Exhibit B - 2 – HUD Resolution Approving the 2016 City Public Housing Asset Management Projects (AMP) and Central Office Cost Center (COCC) (Form HUD-52574)	pg. 31
5 Multi-Family Loan and Mortgage Revenue Bond Application Schedule	pg. 32
6 Agency Proposed 2016 Budget - separately numbered attachment	

BACKGROUND

Public Housing:

The Housing Authorities own and/or manage approximately 3,416 housing units within the City and County of Sacramento. Of these, 2,788 of the units were developed under the federal public housing program administered by the Department of Housing and Urban Development (HUD) and are located throughout the Sacramento region with (1753 units) in the City and (1,035 units) in the County. Approximately 1,000 of these units are designated as elderly and/or disabled only with the remaining units available to families. Program revenues are generated from tenant rent collections and operating subsidies provided by HUD. The amount of rent paid by the tenants is based on 30 percent of gross family income minus certain other adjustments. In addition to the public housing units, the Housing Authority manages another 628 units of local non-public housing.

The average occupancy rate in the Public Housing program is 99 percent for public housing properties available to be leased. Rents reflect a slight decline over the last several years due primarily to: 1) long term vacancies associated with major rehabilitation projects, 2) the disposition of three public housing high-rises to the Agency affiliated non-profit the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), 3) the sale of single family public housing units under the HUD 5h/Section 32/PRE program and 4) the reduction in TANF and SSI income to PHA tenants which reduces the tenants share of the rental payments (30% of income).

HUD operating subsidy, the funds provided by HUD to pay the costs of the program not covered by tenant rents, is appropriated annually through the federal budget process. Given the turmoil surrounding the federal budget, annual appropriations have been erratic reaching as high as 103% of funding eligibility in 2010 to as low as 82% in 2013. In 2015 the program is being funded at 87% of funding eligibility, meaning that the program is only receiving 87% of what HUD believes the Agency needs to run the program. This requires the public housing program to cut operating costs wherever possible and utilize its meager operating reserves. The Agency anticipates a similar level of funding for 2016.

Local Housing (Non-Federal):

The Agency's local housing projects, units not regulated by HUD, have shown positive revenue trends. The primary reason for this change is increased revenues in the Phoenix Park and Riverview Plaza projects and the addition of Villa De Novo and Norcade Circle Projects. Revenues are projected to be relative status quo with 2015 levels.

Also included in the Agency budget is the Sacramento Housing Development Corporation (SHDC), a nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). SHDC is the General Partner of

2016 SHRA Proposed Budget
the Riverview Plaza Associates (RPA) - A California limited partnership created to

provide affordable housing to seniors with limited income. One of the governing boards of the Agency (the County Board of Supervisors) serves as the Board of Directors of the general partner. The Housing Authority of the City of Sacramento serves as the limited partner. The 2016 budget of SHDC and its limited partnership is \$720,580 and is approved annually by the County Board of Supervisors sitting as the Board of SHDC.

Capital Fund Program (CFP):

The HUD CFP provides funding specifically intended for the development, financing, modernization, and management improvements for properties owned under the HUD public housing program. Funds are allocated annually via a formula. The Agency receives funding for the public housing properties owned by the City and County Housing Authorities. Between 2002 and 2015, HUD funding for the capital improvements and modernization of Public Housing properties decreased 48 percent, with the sharpest decrease coming in 2011 at 21 percent. 2016 HUD funding for the CFP is expected to decrease slightly from the 2015 level. Revenue estimates are based on the current year grant amounts and are adjusted based upon Federal appropriation proposals.

Housing Choice Voucher Program (HCV):

The Housing Choice Voucher (formerly Section 8 Housing Assistance) program is funded by the HUD through Annual Contribution Contracts (ACC). The Agency administers this program on behalf of the Housing Authority of the County of Sacramento. The Housing Choice Voucher program permits the applicant to obtain housing in the private rental market using housing vouchers. The program participants pay a portion (an adjusted 30 percent of gross family income) of the lease rate to the owner and the remaining rent amount is paid by the Housing Authority. Participants can utilize their voucher anywhere in the City or County of Sacramento.

Revenue under the HCV program is received from HUD in the form of Housing Assistance Payments (HAP) and Administrative Fees (AF). The federal appropriations process dictates the amount of funding that will be allocated to the HCV program on a national level. Jurisdictional funding allocations are performance based, with the funding level determined by the number of authorized vouchers leased. Currently, the Housing Authority has 12,063 vouchers authorized for leasing each month and the program has effectively maintained a leasing level between 98-100 percent utilization of all vouchers authorized by HUD since 2008.

2016 SHRA Proposed Budget

The high utilization level of vouchers makes the program eligible for maximum funding from HUD. Despite the fact that the Agency is entitled to maximum funding for the program, HUD has intentionally provided less funding than required to cover HAP costs in an effort to recapture accumulated HAP reserves from public housing authorities across the country. In 2008 and 2009 HUD intentionally recaptured HAP reserves leaving the Housing Authority with approximately two weeks of reserves; therefore, managing leasing levels becomes exceptionally important. During the Sequestration cuts of 2013, HUD provided significantly less funding than was required to cover the scheduled housing assistance payments to landlords. The Agency's 2013 funding eligibility of \$103.7 million was prorated at 95 percent, a funding cut of \$5.2 million. In 2014 and 2015, HUD prorated our eligibility at 99.5 percent and the Agency anticipates a similar funding level for 2016 based upon the current proposals moving through Congress.

HCV administrative funding eligibility is based upon the number of units leased within the Housing Authority's authorized voucher allocation, currently 12,063 units per month. Once eligibility is determined, HUD uses a formula to determine administrative fees for the Agency. For 2015, the Agency receives \$83.77 per unit for the first 7200 unit months leased and \$78.19 per unit on all remaining unit months leased. HUD then applies a proration to the formula to reduce fees paid so that the administrative fees paid to housing authorities' matches the appropriations provided by Congress. Sequestration triggered a 69 percent proration of 2013 HCV administrative funding eligibility. In 2014 and 2015 the pro-ration increased to 75 percent of administrative funding eligibility. The Agency expects funding in 2016 to remain the same given the wide array of funding levels purposed by the administration and Congress.

Community Development Block Grant (CDBG):

This is a federal entitlement program provided to communities annually for the benefit of low-income persons through housing improvement, public improvements, economic development, public service and elimination of blighting conditions. Areas of Sacramento which are low-income and extremely physically blighted have been selected for targeted CDBG assistance in the areas of capital improvements, housing preservation and renovation, and economic development and commercial revitalization activities. These funds must be used to augment but not replace local funds and responsibilities.

The annual HUD CDBG entitlement budget is allocated to cities and counties based on a formula comprised of several measures. The Agency receives grants for both the City of Sacramento and the County of Sacramento. Since 2010, CDBG appropriations have been cut by 25 percent. Revenues are projected to be relative status quo with 2015 levels.

2016 SHRA Proposed Budget

Home Investment Partnership Program (HOME):

The Agency administers the HOME program on behalf of the City and County of Sacramento as well as the City of Citrus Heights through a consortium agreement. This program provides for the preservation and expansion of affordable housing to very low and low-income persons. Housing developers and sponsors (both for-profit and non-profit) apply to the Agency for funding. In the past, HOME funds have assisted families in purchasing their first home, renovated deteriorating housing units and assisted in special housing programs.

The annual HUD HOME budget is allocated to states and participating jurisdictions as formula grants. The Agency receives HOME entitlement for both the City of Sacramento and the County of Sacramento. Since 2010, appropriations for HOME have declined by 47 percent. Funding improved slightly in 2014 and 2015, but current federal funding proposals for 2016 reflect the possibility of another cut to the program on a national level.

Housing Trust Funds (HTF):

The Agency administers Housing Trust Funds on behalf of the City and County of Sacramento. The City and County of Sacramento adopted ordinances in 1989 and 1990 respectively, for the purposes of generating fees for the development of affordable housing near employment centers. Fees collected from non-residential development are deposited in the Housing Trust Fund, and are used to fund affordable housing projects that are intended to serve the low income workforce employed by the commercial businesses in the surrounding area.

Housing Trust Fund fees have dropped dramatically due to the sharp decline in number of commercial building permits being issued. HTF fees in the City are expected to improve in the near term due to the construction of the new arena in downtown.

RESOLUTION NO. 2015 -

Adopted by the Sacramento City Council

on date of

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORIZATIONS INCLUDING AUTHORITY FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency created to eliminate duplicate staffing efforts to manage and administer federal housing and community development programs on behalf of the City and County of Sacramento, which provides a competitive advantage to the City and County when seeking federal and other housing and community development funding opportunities. The consolidation of multiple departments from different jurisdictions achieved close coordination of housing and community development programs and provides budget savings for operation and overhead. The Agency Executive Director reports directly to the City and the County governing boards. The Agency is recognized statewide and nationally as a model public agency that achieves multi-jurisdictional cooperation and effectively leverages local, state and federal housing and community development funds.
- B. The Agency receives annual funding from a combination of federal, state and local sources. The sources of Agency revenue require an operating budget adopted prior to the start of each new fiscal year. The Agency's fiscal year is the calendar year from January 1st through December 31st.
- C. As of February 1, 2012, pursuant to Health and Safety Code Section 34173 and City Resolution No. 2012-018, the fiscal administration of the former Redevelopment Agency of the City was assumed within the management structure of the City of Sacramento, which elected to administer the dissolution of its redevelopment agency and to manage and staff the Redevelopment Agency Successor Agency (RASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget.
- D. Pursuant to Health and Safety Code Section 34176, City Resolution No. 2012-018, and Housing Authority Resolution No. 2012-001, the City of Sacramento designated the Housing Authority of the City of Sacramento (Authority), managed and staffed by the Agency, as the designated local authority to retain the housing assets and housing functions previously performed by its Redevelopment Agency, and the Housing Authority elected to serve in that role.

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

Section 1. The proposed actions to adopt the 2016 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15301 and do not require a review under NEPA pursuant to 24 CFR Section 58.35(b)(1), (2), (3), and (4).

All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The 2016 Operating Budget totaling \$153,385,810 and the 2016 Project Budget totaling \$26,195,497, all as further described in the 2016 Proposed Agency Budget (Budget), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of the Agency for the 2016 fiscal year. The Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 3. A total of 225 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 4. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 5. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate legal directives of the California State Department of Finance and/or the

State Controller's Office and the actions taken by the City of Sacramento acting as Successor Agency to the former Redevelopment Agency as approved by the Successor Agency's Oversight Board regarding housing successor matters.

- Section 6. The Agency is authorized to submit the 2016 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, the Agency is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.
- Section 7. The proposed expenditures under the 2016 Housing Operating Budget are necessary for the efficient and economical operation of Agency housing to serve low-income families.
- Section 8. The housing financial plan set forth in the 2016 Housing Operating Budget is reasonable in that:
- a. It indicates a source of funding adequate to cover all proposed expenditures.
 - b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.
 - c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract.
 - d. It includes asset management project budgets prepared on an individual basis as shown in the schedule of public housing AMP and Central office 2016 budget.
- Section 9. The Housing Authority of the City of Sacramento (Authority), staffed by the Agency, is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents, execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the budget accordingly. The Agency is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. The Agency is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review and approval of the Sacramento Housing and Redevelopment Agency Commission.
- Section 10. On an annual basis, HUD requires the Authority, staffed by the Agency, to conduct a physical inventory, analyze receivables for collectability, and,

accordingly, reconcile and adjust related financial records. The Agency is authorized to amend the Budget and financial records as needed for such adjustments.

- Section 11. The Agency is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. The Agency is also authorized to obtain flood insurance through the federal flood insurance program for Agency properties and this coverage may be secured through a local independent agent.
- Section 12. Subject to availability under the Budget of any required funds, the Agency is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted Agency/Housing Authority policy and governing board approvals. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the approved HUD approved conversion.
- Section 13. The Agency is authorized and directed to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and PHA Five-Year Plan and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998, as approved by the Sacramento Housing and Redevelopment Agency Commission.
- Section 14. The Agency is delegated authority to administer and accept specific federal entitlement grant funds, execute all related documents, and amend the Budget in the event that the actual federal entitlement grant funds exceeds or is less than the amount estimated in the Budget. The Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants.
- Section 15. The Agency is authorized to submit to HUD the One Year Action Plan (Action Plan) for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA). The Agency is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year Action Plan. If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. The Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. The Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 16. The Agency is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the approved Action Plans and funding source requirements.

Section 17. The Agency is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which the Agency is the designated recipient of grant funds or contracting agency. The Agency is authorized to accept such grants, execute contracts to implement homeless activities as outlined in the Agency public services schedule and funded in the Budget and amend the Budget accordingly, provided that the activities are fully funded by the grant or are within the Agency Budget.

Section 18. The Agency is authorized to submit grant applications on behalf the City of Sacramento for any and all housing and community development activities within the jurisdiction of Agency. If such grants are awarded and approved by the governing board if in excess of \$100,000, Agency is authorized to accept the grant or grants, execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Choice Neighborhoods Initiative Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- United States Environmental Protection Agency Brownfield Assessment
- United States Environmental Protection Agency Brownfield Clean Up
- United States Environmental Protection Agency Brownfield Revolving Loan Fund
- United States Environmental Protection Agency Brownfield Job Training
- California State Water Resources Control Board - Underground Storage Cleanup
- CAL REUSE Cleanup Grant and Loan Program
- Social Innovation Funds

- Section 19. The Agency is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Agency may allocate and transfer any available fund balances to accounts held for future projects or reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source. Further, the Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave, and vacation accruals.
- Section 20. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.
- Section 21. The Agency is authorized to amend the Budget to appropriate for expenditure of all revenues received in revolving funds.
- Section 22. The Agency is authorized to increase or decrease operating Budget appropriations up to \$100,000. Operating Budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.
- Section 23. The Agency is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.
- Section 24. The Agency is authorized to increase or decrease project budget appropriations by not more than \$100,000 for each project or activity. Project budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.
- Section 25. The Agency is authorized to transfer project appropriations among fund groups.
- Section 26. The Agency is authorized to amend the Budget to reflect all required debt service payments, pass through payments loan repayments and other existing obligations based on actual higher or lower revenues.
- Section 27. The Agency is authorized to amend the Operating Budget or Capital Project Budget or transfer funding of approved capital projects or operating budgets within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations or changes to the aforementioned.
- Section 28. The Agency is authorized to execute and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available revenues as needed to assure receipt of anticipated revenues.

- Section 29. The Agency is authorized to exercise default remedies and take other actions to protect Agency assets under contracts, loans, disposition and development agreements, owner participation agreements and other Agency agreements and to appropriate the associated revenues in the Budget. The Agency is authorized to enter into “loan work outs,” to the extent reasonably necessary to protect Agency assets, and in entering such “work outs,” the Agency is authorized to renegotiate and rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property). Further, the Agency is authorized to renegotiate existing Agency debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide the Agency with more favorable loan terms.
- Section 30. All project appropriations in existence as of December 31, 2015 will be carried over and continued in 2016.
- Section 31. All multi-year operating grant budgets in existence as of December 31, 2015 shall be continued in 2016.
- Section 32. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2015 may remain in effect in 2016. The Agency is authorized to increase the Budget for valid encumbrances as of December 31, 2015, but only to the extent that the applicable division's 2015 operating budget appropriations exceeded 2015 expenditures.
- Section 33. The Agency is authorized to incorporate the changes listed on Exhibit A as part of the 2016 Budget.
- Section 34. If any entity requires a separate resolution to confirm any action approved within this resolution, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.
- Section 35. The Agency is authorized to delegate the authorities as set out in this resolution to Agency's Executive Director.
- Section 36. The Agency's Multifamily Lending and Mortgage Revenue Bond Policies Program Application Schedule is hereby adopted.
- Section 37. This resolution shall take effect immediately.

Table of Contents:

- Exhibit A - Summary of Changes to Sacramento Housing and Redevelopment Agency Proposed 2016 Budget

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2016 BUDGET

Approved 2016 Total Operating Budget	\$ 153,385,810
Revised Approved 2016 Total Operating Budget	\$0
Approved 2016 New Projects	\$ 26,195,497
Revised Approved 2016 New Projects	\$0
TOTAL SHRA BUDGET	\$ 179,581,307

RESOLUTION NO. 2015 -

Adopted by the Housing Authority of the City of Sacramento

on date of

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS, AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

BACKGROUND

- A. The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency created to eliminate duplicate staffing efforts to manage and administer federal housing and community development programs on behalf of the City and County and to provide a competitive advantage to the City and County when seeking federal and other housing and community development funding opportunities. The consolidation of multiple departments from different jurisdictions achieves close coordination of housing and community development programs and provides budget savings for operation and overhead. The Agency Executive Director reports directly to the City and the County governing boards. The Agency is recognized statewide and nationally as a model public agency that achieves multi-jurisdictional cooperation and effectively leverages local, state and federal housing and community development funds.
- B. The Agency receives annual funding from a combination of federal, state and local sources.
- C. The sources of Agency revenue require an operating budget adopted prior to the start of each new fiscal year. As of February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution 2012-018, the fiscal administration of the former Redevelopment Agency of the City was assumed within the management structure of the City of Sacramento which elected to administer the dissolution of its redevelopment agency and to manage and staff the Redevelopment Agency Successor Agency (RASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget.
- D. Agency's fiscal year is the calendar year from January 1st through December 31st.
- E. Pursuant to Health and Safety Code Section 34176 and resolution 2012-001 the City of Sacramento designated the Housing Authority of the City of Sacramento (HACS), managed and staffed by the Agency, as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

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

- Section 1. The above recitals are found to be true and correct and are hereby adopted.
- Section 2. The proposed actions to adopt the 2016 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061, and categorically excluded under NEPA pursuant to 24 CFR Section 58.35(b)(1), (2), (3), and (4).

All other actions associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

- Section 3. The 2016 Operating Budget totaling \$153,385,810 and the 2016 Project Budget totaling \$26,195,497, all as further described in the 2016 Proposed Agency Budget (Budget), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of the Agency for the 2016 fiscal year. The 2016 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Sacramento Housing Development Corporation, and the adoption of those budgets is contingent upon the approval of each of these respective entities.
- Section 4. A total of 225 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.
- Section 5. Subject to availability under the Budget of any required funds, the Executive Director, or her designee, is authorized to amend the Budget as necessary to accept funds, expend funds, or transfer funds among operating budgets or project budgets to complete enforceable housing obligations, comply with legal directives of the California State Department

of Finance and/or the State Controller's Office, or to provide staffing services to Redevelopment Agency Successor Agency (RASA). Such transactions must comply with applicable laws and regulations and agreements to provide staffing services for RASA are subject to RASA Oversight Board Approval.

- Section 6. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.
- Section 7. The Executive Director, or designee, is authorized to submit the 2016 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, the Executive Director, or designee, is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects. See Exhibit B-1 for a summary of the public housing operating budget.
- Section 8. The proposed expenditures under the 2016 Housing Operating Budget are necessary for the efficient and economical operation of Agency housing to serve low-income families.
- Section 9. The housing financial plan set forth in the 2016 Housing Operating Budget is reasonable in that:
- a. It indicates a source of funding adequate to cover all proposed expenditures.
 - b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.
 - c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract
 - d. It includes asset management project budgets prepared on an individual basis as shown in the Schedule of Public Housing AMP and Central Office 2016 Budget attached as Exhibit B-1.
- Section 10. Form HUD-52574 (08/2005), attached as Exhibit B-2 for signature by the Chair of the Board of the Housing Authority, provides necessary certifications for submission of the Operating Budgets described in Section 7d.
- Section 11. Based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service, the Budget implements the fee for service provisions and support service costs. The fee for service provision is predicated on the concept that fee revenues will cover the cost of the services provided.

- Section 12. The Executive Director, or designee, is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents and to execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the budget accordingly. The Executive Director, or designee, is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. The Executive Director, or designee, is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review.
- Section 13. On an annual basis the Agency, on behalf of the Housing Authority of the City of Sacramento (HACS), conducts a physical inventory, analyzes receivables for collectability and, accordingly, reconciles and adjusts related financial records. The Executive Director, or designee, is authorized to amend the Budget and financial records as needed for such adjustments.
- Section 14. The Executive Director, or designee, is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. The Agency, on behalf of HACS, is also authorized to obtain flood insurance through the federal flood insurance program for HACS properties and this coverage may be secured through a local independent agent.
- Section 15. Subject to availability under the Budget of any required funds, the Executive Director, on behalf of HACS, is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted HACS policy and governing board approvals. The Executive Director, or designee, is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the HUD approved conversion.
- Section 16. The Executive Director, or designee, is authorized and directed, on behalf of HACS, to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and the PHA Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.
- Section 17. The Executive Director, or designee, is authorized to submit to HUD the One Year Action Plan for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG)

and Housing Opportunities for People with AIDS (HOPWA). HACS, staffed by the Agency, is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year action Plan. If such grants are awarded, Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 18. The Executive Director, or designee, is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the approved Action Plans utilizing ESG and HOPWA funds, strictly in accordance with the terms of the approved Action Plans and funding source requirements.

Section 19. The Executive Director, or designee, is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which HACS/Agency is the designated recipient of grant funds or contracting agency. Agency, on behalf of HACS, is authorized to accept such grants, execute contracts to implement homeless activities funded in the Budget and amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget). The Executive Director, or designee, is authorized to execute contracts for homeless activities funded in the Agency Budget as outlined in the Agency public services schedule.

Section 20. HACS finds and declares that the proposed expenditure of tax increment housing funds, as set forth in approved recognized obligation payment schedules, for activities serving the homeless, including providing subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, as allocated/outlined in the budget, will not cause or exacerbate racial, ethnic or economic segregation and will be beneficial to all former Redevelopment Project Areas by facilitating the production of affordable housing and providing housing for a population which remains in or frequents the former Redevelopment Project Areas and is perceived as a blighting influence by business owners, property owners, workers and residents, and as a result impedes the elimination of blight in the community.

Section 21. HACS further finds and declares that the proposed expenditure of tax

increment housing funds, as set forth in approved recognized payment schedules to provide subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, increases, improves, and preserves the community's supply of low and moderate-income housing available at an affordable housing cost to persons and families that are extremely low, very low, low or moderate income households and will be of benefit to the community.

- Section 22. HACS finds and declares that the proposed planning and administrative expenses which may be paid for from the former low and moderate income housing fund, pursuant to an approved recognized payment obligation payment schedule, is necessary for the production, improvement and/or preservation of low and moderate income housing during the 2016 Agency Budget year.
- Section 23. HACS is authorized to amend the budget to transfer or accept funding or assets consistent with an approved recognized payment obligation schedule to the Agency or City RASA for approved capital projects or operating expenses in compliance with all bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.
- Section 24. HACS is authorized to amend the budget to receive assets or transfer assets, receive funds or transfer funds to the City RASA and execute agreements with the City or RASA as necessary to facilitate authorized directives of the State of California, the California State Department of Finance and/or the State Controller's Office or to provide staffing services to RASA. Agreements between the Agency or HACS and the City RASA are subject to Successor Agency Oversight Board Approval.
- Section 25. The Executive Director, or designee, is authorized to submit grant applications on behalf of the Housing Authority of the City of Sacramento for any and all housing and community development activities within the jurisdiction of Agency. If such grants are awarded, Agency is authorized to accept the grant or grants execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:
- Homeless Prevention and Rapid Re-housing Program (HPRP)
 - Neighborhood Stabilization Program
 - Choice Neighborhoods Initiative Program
 - Family Unification Program
 - Family Self Sufficiency

- Veteran's Assistance and Supportive Housing
- United States Environmental Protection Agency Brownfield Assessment
- United States Environmental Protection Agency Brownfield Clean Up
- United States Environmental Protection Agency Brownfield Revolving Loan Fund
- United States Environmental Protection Agency Brownfield Job Training
- California State Water Resources Control Board – Underground Storage Cleanup
- CAL REUSE Cleanup Grant and Loan Program
- Social Innovation Fund

Section 26. The Executive Director, or designee, is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Executive Director, or designee, may allocate and transfer any available fund balances to accounts held for future projects or reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source. Further, Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave and vacation accruals.

Section 27. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 28. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 29. The Executive Director, or designee, is authorized to increase or decrease operating Budget appropriations up to \$100,000. Operating Budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 30. The Executive Director, or designee, is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.

Section 31. The Executive Director, or designee, is authorized to increase or decrease project budget appropriations by not more than \$100,000 for each project or activity. Project budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 32. The Executive Director, or designee, is authorized to transfer any available fund balances from HACS instrumentalities or affiliates to allocate for future HACS projects or to reduce budget shortfalls, provided the use and receipt

of funds is not otherwise restricted by law or regulations. Such transactions are subject to HACS instrumentality or affiliate board approval.

- Section 33. The Executive Director, or designee, is authorized to amend the Budget to reflect all required debt service payments, pass through payments, loan repayments, and other existing obligations based on actual higher or lower revenues.
- Section 34. The Executive Director, or designee, is authorized to amend the operating budget or capital project budget or transfer funding of approved capital projects or operating budgets in compliance with appropriate approvals, bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.
- Section 35. The Executive Director, or designee, on behalf of HACS serving as the Successor Housing Entity, is authorized to execute, and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available revenues as needed for the completion of enforceable housing obligations of the former redevelopment agency to assure receipt of anticipated revenues.
- Section 36. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect HACS assets under contracts, loans, disposition and development agreements, owner participation agreements and other HACS agreements and to appropriate the associated revenues in the Budget. Agency, on behalf of HACS is authorized to enter into "loan work outs", to the extent reasonably necessary to protect HACS assets, and in entering such "work outs," Agency is authorized to renegotiate and rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property). Further, The Executive Director, or designee, is authorized to renegotiate existing HACS debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide HACS with more favorable loan terms.
- Section 37. All project appropriations in existence as of December 31, 2015 will be carried over and continued in 2016.
- Section 38. All multi-year operating grant budgets in existence as of December 31, 2015 shall be continued in 2016.
- Section 39. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2015 may remain in effect in 2016. The Executive Director,

or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2015, but only to the extent that the applicable division's 2015 operating budget appropriations exceeded 2015 expenditures.

Section 40. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2016 Budget.

Section 41. If any entity requires a separate resolution for any action approved within this resolution other than resolutions for approval or amendment of projects, programs or the Agency Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 42. The Agency's Multifamily Lending and Mortgage Revenue Bond Policies Program Application Schedule is hereby adopted.

Section 43. This resolution shall take effect immediately.

Table of Contents:

Exhibit A: Summary of Changes To Sacramento Housing and Redevelopment Agency Proposed 2016 Budget

Exhibit B-1: 2016 City Public Housing Asset Management Projects (AMP) and Central Office Cost Center (COCC)

Exhibit B-2: HUD Resolution Approving the 2016 AMP Budgets

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2016 BUDGET

Approved 2016 Total Operating Budget	\$ 153,385,810
Revised Approved 2016 Total Operating Budget	\$0
Approved 2016 New Projects	\$ 26,195,497
Revised Approved 2016 New Projects	\$0
TOTAL SHRA BUDGET	\$ 179,581,307

City Public Housing AMP, Central Office and Central Services Budget

January 1 - December 31, 2016

PHA Code: CA005 City of Sacramento	City <u>AMP 1</u>	City <u>AMP 2</u>	City <u>AMP 3</u>	City <u>AMP 4</u>	City <u>AMP 5</u>	City <u>AMP 7</u>	Total City Public Housing	City COCC Central Office & Central Svc
Beginning fund equity	\$ 1,271,978	\$ 2,093,214	\$ 1,904,894	\$ 612,735	\$ 595,442	\$ 1,142,881	7,621,144	\$ 414,953
Revenues:								
HUD Operating Subsidy	1,506,761	1,766,904	991,717	850,599	809,864	726,825	6,652,670	-
Maintenance Charges to Tenants	25,000	35,000	5,000	10,000	11,000	5,000	91,000	-
Washer/Dryer Income	3,000	-	18,000	6,000	4,000	6,000	37,000	-
Rental Income - Dwelling	710,000	725,000	875,000	587,000	525,000	515,000	3,937,000	-
Rental Income - Commercial	-	-	183,853	-	-	-	183,853	-
Interest Income - Investment	13,000	17,000	19,000	6,000	7,000	10,000	72,000	2,500
Bad Debt Recovery	500	200	300	1,000	1,000	500	3,500	-
Miscellaneous income	19,470	33,880	5,060	2,030	6,030	1,530	68,000	25,015
Management Fee	-	-	-	-	-	-	-	1,534,927
IT/Bookkeeping Fee	-	-	-	-	-	-	-	193,572
Asset Management Fee	-	-	-	-	-	-	-	230,400
Admin Fee (CFP)	-	-	-	-	-	-	-	245,619
Central services fees	-	-	-	-	-	-	-	451,820
Total operating revenue	2,277,731	2,577,984	2,097,930	1,462,629	1,363,894	1,264,855	11,045,023	2,683,853
CFP Mgmt impr transfers	69,803	73,310	110,386	42,769	69,136	79,626	445,030	-
Total revenues and transfers in	2,347,534	2,651,294	2,208,316	1,505,398	1,433,030	1,344,481	11,490,053	2,683,853
Expenditures:								
Employee Services:								
- Management/Maintenance	783,415	674,028	477,291	406,077	311,925	324,515	2,977,251	974,747
- Resident Trainees	16,543	16,543	24,062	9,023	15,039	18,047	99,257	-
Total Employee Services	799,958	690,571	501,353	415,100	326,964	342,562	3,076,508	974,747
Services & Supplies:								
- Management/Maintenance	929,257	1,225,909	1,079,959	768,014	788,820	638,440	5,430,399	2,106,879
- Resident Trainees	58,248	62,083	94,409	36,906	59,164	67,346	378,156	-
Total Services & Supplies	987,505	1,287,992	1,174,368	804,920	847,984	705,786	5,808,555	2,106,879
Other Charges:								
Financial Transactions	2,086	2,825	3,441	908	1,131	1,785	12,176	516
Central Service Fees	98,163	106,615	89,164	58,624	56,444	42,810	451,820	-
Miscellaneous (PILOT, Depr.)	47,571	47,572	43,041	31,716	29,443	27,184	226,527	-
Management Fee	245,633	266,785	225,846	145,333	142,604	133,051	1,159,252	-
IT / Bookkeeping Fee	31,752	34,486	29,194	18,787	18,434	17,199	149,852	-
Asset Management Fee	43,200	46,920	39,720	25,560	25,080	23,400	203,880	-
Total operating expense	2,255,868	2,483,766	2,106,127	1,500,948	1,448,084	1,293,777	11,088,570	3,082,142
Ending Balance	\$ 1,363,644	\$ 2,260,742	\$ 2,007,083	\$ 617,185	\$ 580,388	\$ 1,193,585	\$ 8,022,627	\$ 16,664

Board Resolution Approving the AMP Budgets
PHA Board Resolution
Approving Operating Budget

OMB No. 2577-0026
(exp. 10/31/2009)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Real Estate Assessment Center (PIH-REAC)

Previous editions are obsolete form HUD-52574 (08/2005) Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 6(e)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority- City of Sacramento

PHA Code: CA005

PHA Fiscal Year Beginning: 01/01/16

Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

Operating Budgets (*for COCC and all Projects*) approved by Board resolution on: _____

Operating Budget submitted to HUD, if applicable, on: _____

Operating Budget revision approved by Board resolution on: _____

Operating Budget revision submitted to HUD, if applicable, on: _____

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(e) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.325.

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairman's Name: Mayor Kevin Johnson	Signature:	Date:
---	------------	-------

**Sacramento Housing and Redevelopment Agency
Multi-Family Loan and Mortgage Revenue Bond Application**

2016 Schedule and Anticipated Funding

July 9% TCAC & CDLAC Applications:

Pre-Application Deadline	Jan. 4, 2016
Application Deadline	March 1, 2016
Environmental Deadline*	April 20, 2016
Sacramento Housing and Redevelopment Commission (SHRC)	June 1, 2016
Board of Supervisors/Council Council (Board/Council)	June 21, 2016
Est. 9% TCAC/CDLAC Application Deadlines	July 6, 2016/July 15, 2016

October CDLAC Application:

Pre-Application Deadline	April 1, 2016
Application Deadline	June 1, 2016
Environmental Deadline*	August 10, 2016
SHRC	Sept 21, 2016
Board/Council	Oct 11, 2016
Est. CDLAC Application Deadline	October 21, 2016

January CDLAC Application:

Pre-Application Deadline	June 1, 2016
Application Deadline	August 1, 2016
Environmental Deadline*	October 5, 2016
SHRC	November 16, 2016
Board/Council	December 6, 2016
Est. CDLAC Application Deadline	January 20, 2017

March 9% TCAC & CDLAC Applications:

Pre-Application Deadline	August 1, 2016
Application Deadline	October 3, 2016
Environmental Deadline*	December 14, 2016
SHRC	February 1, 2017
Board/Council	February 21, 2017
Est. 9% TCAC/CDLAC Application Deadlines	March 1, 2017/March 17, 2017

May CDLAC Application:

Pre-Application Deadline	November 1, 2016
Application Deadline	January 3, 2017
Environmental Deadline*	March 9, 2017
SHRC	April 19, 2017
Board/Council	May 9, 2017
CDLAC Application Deadline	May 19, 2017

2016 Anticipated Multifamily Loan Funding:City of Sacramento

HOME **	\$2.9 million
CDBG (prevailing wage rehabilitation)	\$1.0 million
Housing Trust Fund (workforce housing)	\$2.6 million

County of Sacramento

HOME **	\$3.0 million
CDBG (prevailing wage rehabilitation)	\$2.2 million
Housing Trust Fund (workforce housing)	\$0.3 million
County Affordable Housing Program (workforce housing)	\$1.5 million
Mental Health Services Act (permanent supportive housing)	\$0.8 million

* Includes anticipated 2016 revenues and prior years unallocated balances

** Prevailing wages required if more than 11 units assisted

RESOLUTION NO. SHRC - 2015 -

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. RA83 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

November 4, 2015

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

WHEREAS, the Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency created to eliminate duplicate staffing efforts to manage and administer federal housing and community development programs on behalf of the City and County and to provide a competitive advantage to the City and County when seeking federal and other housing and community development funding opportunities. The consolidation of multiple departments from different jurisdictions achieves close coordination of housing and community development programs and provides budget savings for operation and overhead. The Agency Executive Director reports directly to the City and the County governing boards. The Agency is recognized statewide and nationally as a model public agency that achieves multi-jurisdictional cooperation and effectively leverages local, state and federal housing and community development funds; and

WHEREAS, the Agency receives annual funding from a combination of federal, state and local sources;

WHEREAS, the sources of Agency revenues require an operating budget adopted prior to the start of each new fiscal year; On February 1, 2012, pursuant to Health and Safety Code Section 34173, the fiscal administration of the former City and County Redevelopment Agencies was assumed within the management structure of the City and County of Sacramento which elected to administer the dissolution of their redevelopment agencies. The budgets of the former Redevelopment Agencies are no longer incorporated within the Sacramento Housing and Redevelopment Agency Budget; and

WHEREAS, Agency's fiscal year is the calendar year from January 1 through December 31; and

WHEREAS, pursuant to Health and Safety Code Section 34176 the City and County of Sacramento designated the Housing Authorities of the City and County of Sacramento, managed and staffed by the Agency, as the designated local authorities to retain the housing-assets and housing-functions previously performed by the respective Redevelopment Agencies.

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

Section 1. The proposed actions to adopt the 2016 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

Page 2 of 6

project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061(b), and categorically excluded under NEPA pursuant to 24 CFR Section 58.35(b)(1), (2), (3), and (4).

All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The 2016 Operating Budget totaling \$153,385,810 and the 2016 Project Budget totaling \$26,195,497, all as further described in the 2016 Proposed Agency Budget (hereinafter "2016 Agency Budget" or "Budget"), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of Agency for the 2016 fiscal year. The 2016 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 3. A total of 225 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 4. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 5. The Executive Director, or designee, is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate legal directives of the United States Department of Housing and Urban Development (HUD), the California State Department of Finance and/or the State Controller's Office and the actions taken by the Successor Agencies of the former Redevelopment Agencies approved by the Successor Agency oversight Boards.

Section 6. The Executive Director, or designee, is authorized to submit the 2016 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, the Executive Director, or designee, is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.

Section 7. The proposed expenditures under the 2016 Housing Operating Budget are necessary in the efficient and economical operation of Agency housing to serve low-income families.

Section 8. The housing financial plan set forth in the 2016 Housing Operating Budget is reasonable in that:

- a. It indicates a source of funding adequate to cover all proposed expenditures.

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

Page 3 of 6

- b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.
- c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract.
- d. It implements the fee for service provisions and support service costs based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service,. The fee for service provision is predicated on the concept that fee revenues will cover the cost of the services provided.

Section 9. The Executive Director, or designee, is authorized to submit applications to HUD for the Capital Fund Plan and Program. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents, execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements, and amend the Budget accordingly. The Executive Director, or designee, is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. The Executive Director, or designee, is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review.

Section 10. On an annual basis, HUD requires the Agency to conduct a physical inventory, analyze receivables for collectability and accordingly, reconcile and adjust related financial records. The Executive Director, or designee, is authorized to amend the Budget and financial records as needed for such adjustments.

Section 11. The Executive Director, or designee, is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. Agency is also authorized to obtain flood insurance through the federal flood insurance program for Agency properties and this coverage may be secured through a local independent agent.

Section 12. Subject to availability under the Budget of any required funds, The Executive Director, or designee, is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted Agency/Housing Authority policy and governing board approvals. The Executive Director, or her designee, is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the approved HUD approved conversion.

Section 13. The Executive Director, or designee, is authorized and directed to approve, submit, and implement the Public Housing Agency (PHA) Annual Plan, PHA Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 14. The Executive Director, or designee, is authorized to submit to HUD the One Year Action Plan for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA). The Agency is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year action Plan. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. The Executive Director is directed to comply with all policies, procedures, and requirements

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

Page 4 of 6

prescribed as a condition of such grants. The Executive Director, or designee, is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 15. The Executive Director, or designee, is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the Action Plan and funding source requirements.

Section 16. The Executive Director, or designee, is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which the Agency is the designated recipient of grant funds or contracting agency. Agency is authorized to accept such grants, execute contracts to implement homeless activities funded in the Budget and amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget). The Executive Director, or designee, is authorized to execute contracts for homeless activities funded in the Agency Budget as outlined in the Agency public services schedule.

Section 17. The Executive Director, or designee, is authorized to submit grant applications on behalf of any of the Agency constituent members for any and all housing and community development activities within the jurisdiction of Agency. If such grants are awarded, Agency is authorized to accept the grant or grants execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. The Executive Director is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Choice Neighborhood Initiative Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- United States Environmental Protection Agency Brownfield Assessment
- United States Environmental Protection Agency Brownfield Clean Up
- United States Environmental Protection Agency Brownfield Revolving Loan Fund
- United States Environmental Protection Agency Brownfield Job Training
- California State Water Resources Control Board – Underground Storage Cleanup
- CAL REUSE Cleanup Grant and Loan Program
- Social Innovation Fund

Section 18. The proposed expenditure of tax increment housing funds for activities serving the homeless, including providing subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance,

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

Page 5 of 6

as set out in the budget, will not cause or exacerbate racial, ethnic or economic segregation and will be beneficial to all Redevelopment Project Areas as set forth in City Redevelopment Agency Resolution 2004-062 and County Redevelopment Agency Resolution RA-0757, by facilitating the production of affordable housing and providing housing for a homeless population which remains in or frequents the Redevelopment Project Areas and is perceived as a blighting influence by business owners, property owners, workers and residents, and as a result impedes redevelopment of the Project Areas.

Section 19. The expenditure of tax increment housing funds from the Project Areas to provide subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, increasing, improving, and preserving the community's supply of low and moderate-income housing available at an affordable housing cost to persons and families that are extremely low, very low, low or moderate income households for proposed projects, will be of benefit to all the community.

Section 20. The proposed planning and administrative expenses paid for from the low and moderate income housing fund are necessary for the production, improvement and/or preservation of low and moderate income housing during the 2016 Agency Budget year.

Section 21. The Executive Director, or designee, is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Executive Director, or designee, may allocate and transfer any available fund balances to accounts held for future projects or reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source. Further, Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave, and vacation accruals.

Section 22. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 23. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 24. The Executive Director, or designee, is authorized to increase or decrease operating Budget appropriations up to \$100,000. Operating Budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 25. The Executive Director, or designee, is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.

Section 26. The Executive Director, or designee, is authorized to increase or decrease project budget appropriations by not more than \$100,000 for each project or activity. Project budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 27. The Executive Director, or designee, is authorized to transfer project appropriations among fund groups.

Section 28. The Executive Director, or designee, is authorized to amend the Budget to reflect all required debt service payments, pass through payments loan repayments, and other existing obligations based on actual higher tax increment revenues.

Section 29. The Executive Director, or designee, is authorized to transfer funding of approved capital projects within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations or changes to the aforementioned.

Section 30. The Executive Director, or designee, is authorized to execute and

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

Page 6 of 6

implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available revenues as needed to assure receipt of anticipated revenues.

Section 31. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect Agency assets under contracts, loans, disposition and development agreements, owner participation agreements and other Agency agreements and to appropriate the associated revenues in the Budget. Agency is authorized to enter into "loan work outs," to the extent reasonably necessary to protect Agency assets, and in entering such "work outs," Agency is authorized to renegotiate and rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property). Further, The Executive Director, or designee, is authorized to renegotiate existing Agency debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide the Agency with more favorable loan terms.

Section 32. All project appropriations in existence as of December 31, 2015 will be carried over and continued in 2016.

Section 33. All multi-year operating grant budgets in existence as of December 31, 2015 shall be continued in 2016.

Section 34. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2015 may remain in effect in 2016. The Executive Director, or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2015, but only to the extent that the applicable division's 2015 operating budget appropriations exceeded 2015 expenditures.

Section 35. The Agency's Multifamily Lending and Mortgage Revenue Bond Policies Program Application Schedule is hereby adopted.

Section 36. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2016 Budget.

Section 37. The Executive Director, or designee, is authorized to delegate the authorities as set out in this resolution.

Section 38. This resolution shall take effect immediately.

CHAIR

ATTEST:

CLERK



October 29, 2015

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

2016 Sacramento Housing and Redevelopment Agency Proposed Budget

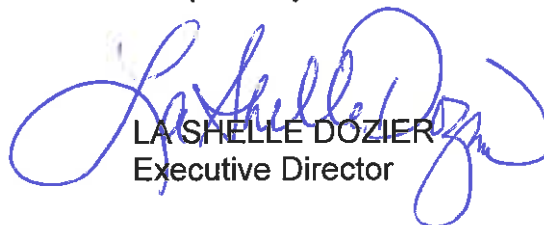
SUMMARY

The attached report is submitted to you for review and recommendation 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 10, 2015
Timed: 10:00 am

To: Board of Supervisors, Housing Authority, Sacramento Housing Development Corporation

From: Sacramento Housing and Redevelopment Agency

Subject: 2016 Sacramento Housing And Redevelopment Agency Proposed Budget

Supervisorial

District: All

Contact: La Shelle Dozier, Executive Director, 440-1319
Tina McKenney, Director of Finance, 440-1325

Overview

The annual budget of the Sacramento Housing and Redevelopment Agency (Agency) incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento and the administration of specific funds on behalf of the City and County of Sacramento. As of February 1, 2012 the fiscal administration of the former Redevelopment Agency of the City and the former Redevelopment Agency of the County were assumed within the management structure of the City and County which elected to administer the affairs of the successor agencies. The budgets of the former redevelopment agencies (Redevelopment Successor Agency) are no longer incorporated within the Agency Budget. The proposed 2016 Budget provides a plan by which the Agency operates in an efficient manner and in compliance with the regulatory requirements of our funding sources and the Government Accounting Standards Board. The Agency's budget and fiscal year is the calendar year from January 1st through December 31st. Neither the City or the County provide any General Funds in support of the Agency's budget.

The Agency proposes a balanced budget in the amount of \$180.8 million representing operational activities and projects for 2016. The 2016 proposed budget represents a \$3.3 million or 1.8 percent decrease in net appropriations compared with the prior year. This change in annual budget appropriations is primarily the result of the following factors: 1) the 2015 award of \$3.0 million in State CalHOME funds was a two year grant so there will be no grant award in 2016, 2) a one-time increase in debt service payments in 2015 related to the maturity of a California Housing Finance Agency (CalHFA) Help Loan, and 3) a decrease in city housing successor project expenditures due to the wind down of projects.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the overall financial health of the organization, not just the cash flow

from year to year;

- Using partnerships with community based organizations and private entities whenever practicable; and
- Developing budget plans that deal with the immediate needs of the Agency and employ strategies that address the long-term needs of the communities we serve.

Calendar Year 2016 Proposed Budget (\$\$\$ In Millions)

	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget	Variance (2015 to 2016)	
OPERATIONS							
Salaries and Benefits	23.3	19.9	19.6	20.9	22.3	1.5	6.9%
Services and Supplies	15.6	14.7	14.8	15.3	17.0	1.7	11.3%
Housing Assistance Payments	101.9	107.2	103.5	108.1	105.6	(2.5)	-2.3%
Debt Service	42.4	3.1	2.3	3.2	2.4	(0.8)	-25.2%
Financial Transactions	31.1	0.9	0.6	0.5	0.4	(0.1)	-24.7%
Public Services	3.6	5.1	4.9	5.2	5.7	0.5	9.0%
Sub-Total	\$217.9	\$151.0	\$145.7	\$153.2	\$153.4	\$0.2	0.2%
CAPITAL PROJECTS							
Housing Development and Preservation	10.1	13.2	14.0	19.4	17.9	(1.5)	-7.7%
Housing Authority Capital Projects	2.1	2.3	4.4	2.9	2.1	(0.7)	-25.3%
Infrastructure and Public Improvements	5.8	3.1	3.5	8.7	7.4	(1.3)	-14.7%
Sub-Total	\$18.0	\$18.6	\$21.9	\$30.9	\$27.4	(\$3.5)	-11.3%
TOTAL	\$235.9	\$169.6	\$167.6	\$184.1	\$180.8	(\$3.3)	-1.8%

Recommendations

Conduct a public hearing and upon conclusion adopt: 1) a **County Board Resolution** a) approving the 2016 Proposed Budget for the Sacramento Housing and Redevelopment Agency (Agency), b) delegating authority to the Agency to administer certain federal funds; c) authorizing the Agency to: i) submit grant applications for activities within the jurisdiction of the Agency; and ii) enter into contracts, make fund transfers, transfer project appropriations, amend the Agency budget in accordance with the limitations of the Resolution, and undertake other actions necessary to implement the aforementioned; and d) consenting to the Agency’s submittal of the annual housing operating budgets and application for Capital Fund Plan funding to HUD. 2) a **Housing Authority Resolution** (Authority) a) approving the 2016 proposed budget for the Housing Authority of the County of Sacramento; b) delegating authority to administer certain federal funds; and c) authorizing the Housing Authority to submit grant applications for activities within the jurisdiction of the Agency; d) authorizing the Executive Director to: (i) submit the annual housing operating budgets to HUD; (ii) submit application to HUD for Capital Fund Plan funding; ; and (iii) enter into contracts, make fund transfers, transfer project appropriations, amend the Agency budget in accordance with the limitations of the resolution, and undertake other actions necessary to implement the aforementioned. 3) Adopt a **Sacramento Housing Development Corporation Resolution** to: a) approve the 2016 Proposed Budget for The Riverview Plaza Residential Project; and b) authorize its Executive Director to: i) obtain flood insurance and liability insurance; ii) submit grant applications; and iii) enter into contracts, make fund transfers, make payments of debt, amend the budget, and undertake other actions necessary.

Measures/Evaluation

Effective use of Agency revenue may be measured by the number of households assisted with affordable housing, the provision and/or improvement of community facilities and infrastructure, and the number of jobs retained or created within targeted areas.

Fiscal Impact

The 2016 Proposed Budget recommends total expenses of \$180.8 million, with the Housing Assistance Payments Budget at \$105.6 million; the Operating Budget at \$39.3 million; the Capital Project Budget at \$27.4 million; the Public Services Budget at \$5.7 million; and the Debt Service and Financial Transaction Budget at \$2.8 million.

BACKGROUND

The annual budget of the Sacramento Housing and Redevelopment Agency (Agency) incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the administration of specific funds on behalf of the City and County of Sacramento. As of February 1, 2012 the fiscal administration of the former Redevelopment Agency of the City and the former Redevelopment Agency of the County were assumed within the management structure of the City and County which elected to administer the affairs of the successor agencies. The budgets of the former redevelopment agencies (Redevelopment Successor Agency) are no longer incorporated within the Agency Budget. The proposed 2016 Budget provides a plan by which the Agency operates in an efficient manner and in compliance with the regulatory requirements of our funding sources and the Government Accounting Standards Board. The Agency's budget and fiscal year is the calendar year from January 1st through December 31st. Neither the City or the County provide any General Funds in support of the Agency's budget. Appropriate financial planning and applicable government regulations require the Agency to have an operating budget and capital budget adopted prior to the start of each new fiscal year. Consequently, the Agency presents its budget to all governing bodies for approval annually.

DISCUSSION

Since the elimination of redevelopment, the Agency receives 88 percent of its funding from the federal government through the Department of Housing and Urban Development. The Sequestration cuts of 2013 seriously impacted the Public Housing and Housing Choice Voucher programs however, the passage of a two year budget agreement resulted in a small restoration of funding in 2014 for several housing programs. In 2015, funding for these programs increased slightly and 2016 is expected to be funded at levels similar to 2015.

Federal programs such as Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) have not seen much change in appropriation levels since the Sequestration cuts of 2013 and this has reduced the number of housing projects, public services and infrastructure improvements the Agency can fund. For 2016, it is expected that the Agency programs will be funded at levels similar to 2015.

The following table provides a visual representation of the funding levels for the Agency's major federal programs over the past several years.

City & County Federal Funding (In Millions)							
FUNDING SOURCES	2010	2011	2012	2013	2014	2015 est	2016 est
CDBG	\$ 12.57	\$ 10.47	\$ 8.69	\$ 9.11	\$ 9.09	\$ 9.41	\$ 9.41
HOME	\$ 6.98	\$ 6.16	\$ 3.78	\$ 3.72	\$ 3.91	\$ 3.64	\$ 3.28
Entitlement Programs Sub-Total:	\$ 19.55	\$ 16.63	\$ 12.47	\$ 12.83	\$ 13.00	\$ 13.05	\$ 12.69
PHA OPERATING FUND	\$ 9.36	\$ 10.26	\$ 9.94	\$ 8.80	\$ 10.02	\$ 10.28	\$ 10.27
PHA CAPITAL FUND	\$ 5.48	\$ 4.32	\$ 3.99	\$ 4.02	\$ 3.10	\$ 3.83	\$ 3.97
Public Housing Sub-Total:	\$ 14.84	\$ 14.58	\$ 13.93	\$ 12.82	\$ 13.12	\$ 14.11	\$ 14.24
HCV HAPS	\$ 99.10	\$ 101.10	\$ 103.00	\$ 98.50	\$ 101.02	\$ 100.68	\$ 100.94
HCV ADMINISTRATIVE FEES	\$ 9.30	\$ 8.95	\$ 8.40	\$ 7.57	\$ 8.31	\$ 8.75	\$ 8.00
HCV Sub-Total:	\$ 108.40	\$ 110.05	\$ 111.40	\$ 106.07	\$ 109.33	\$ 109.43	\$ 108.94
EMERGENCY SOLUTIONS GRANT (ESG)	\$ -	\$ -	\$ -	\$ 0.63	\$ 0.92	\$ 0.81	\$ 0.81
SHELTER PLUS CARE	\$ -	\$ 3.76	\$ 4.26	\$ 4.70	\$ 4.80	\$ 4.49	\$ 4.53
HOPWA	\$ -	\$ -	\$ 0.90	\$ 0.86	\$ 0.87	\$ 0.90	\$ 0.90
Public Services Sub-Total:	\$ -	\$ 3.76	\$ 5.16	\$ 6.19	\$ 6.59	\$ 6.20	\$ 6.24

COMMISSION ACTION

It is anticipated that, at its meeting of November 4, 2015, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Board in the event this does not occur.

MEASURES/EVALUATIONS

The Agency has adopted five broad goals that guide the allocation of resources and serve as the basis by which it measures progress:

- Develop, preserve, and finance a continuum of affordable housing opportunities for Sacramento residents.
- Provide and maintain Agency-owned housing and tenant-based rental assistance programs in the City and County of Sacramento.
- Revitalize lower income neighborhoods to create healthy and sustainable communities.
- Eliminate blight and promote economic development on commercial corridors and converted military bases.
- Implement effective and efficient management practices to enhance customer service and project delivery.

FINANCIAL ANALYSIS

The 2016 Proposed Budget recommends total expenses of \$180.8 million, with the Housing Assistance Payments Budget at \$105.6 million; the Operating Budget at \$39.3 million; the Capital Project Budget at \$27.4 million; the Public Services Budget at \$5.7 million; and the Debt Service and Financial Transaction Budget at \$2.8 million. The 2016 Proposed Budget of \$180.8 million represents a \$3.3 million or 1.8 percent decrease compared with the total 2015 Adopted Budget

The Agency has adapted to the new economic reality post redevelopment by refocusing the organization's direction and priorities, and fine tuning our resources for doing business. We have streamlined operations over the past several years by strategically reducing operational costs through layoffs, staff attrition, transfers, reduced work schedules, and cuts to services and supplies. To date, these efficiencies have been implemented without a reduction in the number of people we serve.

For 2016, the Agency is proposing to maintain its authorized full time equivalent positions at 225 FTE. We are also recommending that of the 225 authorized FTE positions, 7.6 positions are to remain unfunded for the remainder of 2016.

POLICY CONSIDERATIONS

The actions recommended in this report are consistent with adopted Consolidated Plan goals, the annual Housing Operating Budget, the Capital Fund Plan, and adopted Agency policies.

For the Housing Authorities of the City and County, serving as Housing Successor to the former redevelopment agencies, the 2016 Proposed Budget contains provisions for rental assistance obligations of the former redevelopment agency previously funded from low and moderate tax increment revenues. These obligations have been reported on the Recognized Obligation Payment Schedule (ROPS) of the County Successor Agency and reviewed by the California Department of Finance without issue. However, obligations reported on the ROPS are subject to challenge every year. If for any reason, the State later determines that these activities are not enforceable obligations the Housing Authority will have no ability to continue to fund these activities. This report also recommends adoption of Multi-Family Loan and Mortgage Revenue Bond 2016 Application schedule, priorities and anticipated finding (Attachment 2) for Agency funded projects. The schedule will allow applicants to apply for funding on certain dates corresponding to the California Tax Credit Allocation Committee (TCAC) and California Debit Limit Allocation Committee (CDLAC) application deadlines.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The proposed action to adopt the Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions

associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061(b).

All other actions are associated with the adoption of the 2015 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

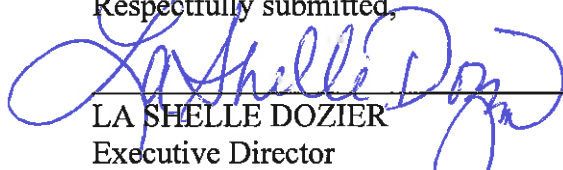
The proposed actions to adopt the Budget are considered administrative and management activities and are Exempt under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are Categorically Excluded pursuant to 24 CFR Sections 58.35(b)(1), (2), (3), and (4). All other actions are associated with the adoption of the 2015 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any choice limiting action(s) being carried out with regard to such projects.

M/WBE/SECTION 3 AND FIRST SOURCE CONSIDERATIONS

The action proposed in this report has no M/WBE or Section 3 impact; therefore, M/WBE and Section 3 considerations do not apply. The First Source Program is not applicable to this report.

Respectfully submitted,

APPROVED



LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

BRADLEY J. HUDSON
County Executive

Attachments:

RES – County BOS Resolution

RES – HACOS Resolution

Exhibit B-1 – County Asset Management Projects (AMP),
Central Office and Central Services Budget

Exhibit B-2 – HUD Resolution Approving the AMP Budgets

RES - SHDC Resolution

ATT 1 – Background

ATT 2 – Multi-Family Loan and Mortgage Revenue Bond Application
Schedule

ATT 3 – Budget Document

RESOLUTION NO. _____

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITY FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

WHEREAS, the Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency created to eliminate duplicate staffing efforts to manage and administer federal housing and community development programs on behalf of the City and County of Sacramento which provides a competitive advantage to the City and County when seeking federal and other housing and community development funding opportunities. The consolidation of multiple departments from different jurisdictions achieves close coordination of housing and community development programs and provides budget savings for operation and overhead. The Agency Executive Director reports directly to the City and the County governing boards. The Agency is recognized statewide and nationally as a model public agency that achieves multi-jurisdictional cooperation and effectively leverages local, state and federal housing and community development funds; and

WHEREAS, the Agency receives annual funding from a combination of federal, state and local sources; and

WHEREAS, the sources of Agency revenue require an operating budget adopted prior to the start of each new fiscal year. The Agency's fiscal year is the calendar year from January 1st through December 31st; and

WHEREAS, On February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution no. 2012-0051, the fiscal administration of the former Redevelopment Agency of the County was assumed within the management structure of the County of Sacramento which elected to administer the dissolution of its redevelopment agency and manage the County Redevelopment Agency Successor Agency (CRASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget; and

WHEREAS, pursuant to Health and Safety Code Section 34176 and resolution no. HA-2012-2329 the County of Sacramento designated the Housing Authority of the County of Sacramento (Authority), managed and staffed by the Agency, as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

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

Section 1. The proposed actions to adopt the 2016 Proposed Agency Budget are

considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b). These actions are also exempt under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061(b), and these activities are categorically excluded under NEPA pursuant to 24 CFR Section 58.35(b)(1), (2), (3) and (4). All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The 2016 Operating Budget totaling \$153,385,810 and the 2016 Project Budget totaling \$27,425,351, as further described in the 2016 Proposed Agency Budget (hereinafter “2016 Agency Budget” or “Budget”), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of the Agency for the 2016 fiscal year. The 2016 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 3. A total of 225 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 4. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 5. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate legal directives of the California State Department of Finance and/or the State Controller’s Office and the actions taken by the County of Sacramento acting as Successor Agency to the former Redevelopment Agency (CRASA) as approved by the CRASA Oversight Board regarding housing successor matters.

Section 6. The Agency is authorized to submit the 2016 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, the Agency is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.

Section 7. The proposed expenditures under the 2016 Housing Operating Budget are necessary for the efficient and economical operation of Agency housing to serve low-income families.

Section 8. The housing financial plan set forth in the 2016 Housing Operating Budget is reasonable in that:

- a. It indicates a source of funding adequate to cover all proposed expenditures.
- b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.
- c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract.
- d. It implements the fee for service provisions and support service costs based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service. The fee for service provision is predicated on the revenues generated by fees being sufficient to cover the cost of services provided over time.

Section 9. The Housing Authority of the County of Sacramento, staffed by the Agency is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents, execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the Budget accordingly. The Agency is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. The Agency is authorized to submit the Comprehensive Plan or annual statement to HUD after receiving public comments and resident review and approval of the Sacramento Housing and Redevelopment Agency Commission.

Section 10. On an annual basis, HUD requires the Authority, staffed by the Agency to conduct a physical inventory, analyze receivables for collectability and accordingly, reconcile and adjust related financial records. The Agency is authorized to amend the Budget and financial records as needed for such adjustments.

Section 11. The Agency is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. The Agency is also authorized to obtain flood insurance through the federal flood insurance program for Agency properties and this coverage may be secured through a local independent agent.

Section 12. Subject to availability under the Budget of any required funds, the Agency is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted Agency/Housing Authority policy and governing board approvals. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the approved HUD approved conversion.

Section 13. The Agency is authorized and directed to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and PHA Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998, as approved by the Sacramento Housing and Redevelopment Agency Commission.

Section 14. The Agency is authorized to submit to HUD the One Year Action Plan (Action Plan) for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA). The Agency is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year Action Plan. If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. The Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. The Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 15. The Agency is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of approved Action Plans and funding source requirements.

Section 16. The Agency is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other

governmental or private entities for homeless programs for which the Agency is the designated recipient of grant funds or contracting agency. The Agency is authorized to accept such grants, execute contracts to implement homeless activities as outlined in the Agency public services schedule and funded in the Budget and amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget).

Section 17. The Agency is authorized to submit grant applications on behalf of the County of Sacramento for any and all housing and community development activities within the jurisdiction of the Agency. If such grants are awarded (and approved by the governing board if in excess of \$100,000) the Agency is authorized to accept the grant or grants, execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Choice Neighborhoods Initiative Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- Social Innovation Fund

Section 18. The Agency is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Executive Director, or designee, may allocate and transfer any available fund balances to accounts held for future projects or reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source. Further, the Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave, and vacation accruals.

Section 19. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 20. The Agency is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 21. The Agency is authorized to increase or decrease operating Budget appropriations up to \$100,000. Operating Budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 22. The Agency is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.

Section 23. The Agency is authorized to increase or decrease project budget appropriations by not more than \$100,000 for each project or activity. Project budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 24. The Agency is authorized to transfer project appropriations among fund groups.

Section 25. The Agency is authorized to amend the Budget to reflect all required debt service payments, pass through payments loan repayments, and other existing obligations based on actual revenues.

Section 26. The Agency is authorized to amend the operating budget or capital project budget, or transfer funding of approved capital projects or operating budgets within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.

Section 27. The Agency is authorized to execute and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to reconcile available revenues as needed to assure receipt of anticipated revenues.

Section 28. The Agency is authorized to exercise default remedies and take other actions to protect the Agency assets under contracts, loans, disposition and development agreements, owner participation agreements and other Agency agreements and to appropriate the associated revenues in the Budget. The Agency is authorized to enter into "loan work outs," to the extent reasonably necessary to protect the Agency assets, and in entering such "work outs," the Agency is authorized to renegotiate and rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property). Further, the Agency is authorized to renegotiate existing Agency debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide the Agency with more favorable loan terms.

Section 29. All project appropriations in existence as of December 31, 2015 will be carried over and continued in 2016.

Section 30. All multi-year operating grant budgets in existence as of December 31, 2015 shall be continued in 2016.

Section 31. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2015 may remain in effect in 2016. The Agency is authorized to increase the Budget for valid encumbrances as of December 31, 2015, but only to the extent that the applicable division's 2015 operating budget appropriations exceeded 2015 expenditures.

Section 32. The Agency is authorized to incorporate the changes listed on Exhibit A as part of the 2016 Budget.

Section 33. If any entity requires a separate resolution to confirm any action approved within this resolution, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 34. The Agency is authorized to delegate the authorities as set out in this resolution to the Agency's Executive Director.

Section 35. The Agency's Multifamily Lending and Mortgage Revenue Bond Policies Program Application Schedule is hereby adopted.

Section 36. This resolution shall take effect immediately.

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 10th day of November, 2015, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,
(PER POLITICAL REFORM ACT (§ 18702.5))

Chair of the Board of Supervisors
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk, Board of Supervisors

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2016 BUDGET

Approved 2016 Total Operating Budget	\$ 153,385,810
Revised Approved 2016 Total Operating Budget	\$0
Approved 2016 New Projects	\$ 27,425,351
Revised Approved 2016 New Projects	\$0
TOTAL SHRA BUDGET	\$ 180,811,161

RESOLUTION NO. _____

ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

ON DATE OF

APPROVAL OF 2016 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS, AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITY FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

WHEREAS, the Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency created to eliminate duplicate staffing efforts to manage and administer federal housing and community development programs on behalf of the City and County of Sacramento which provides a competitive advantage to the City and County when seeking federal and other housing and community development funding opportunities. The consolidation of multiple departments from different jurisdictions achieves close coordination of housing and community development programs and provides budget savings for operation and overhead. The Agency Executive Director reports directly to the City and the County governing boards. The Agency is recognized statewide and nationally as a model public agency that achieves multi-jurisdictional cooperation and effectively leverages local, state and federal housing and community development funds; and

WHEREAS, the Agency receives annual funding from a combination of federal, state and local sources; and

WHEREAS, the sources of Agency revenues requires an operating budget adopted prior to the start of each new fiscal year. The Agency's fiscal year is the calendar year from January 1st through December 31st.

WHEREAS, as of February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution no. 2012-0051, the fiscal administration of the former Redevelopment Agency of the County was assumed within the management structure of the County of Sacramento which elected to administer the dissolution of its redevelopment agency and manage the County Redevelopment Agency Successor Agency (CRASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget; and

WHEREAS, pursuant to Health and Safety Code Section 34176 and resolution no. HA-2012-2329 the County of Sacramento designated the Housing Authority of the County of

Sacramento (HACOS), managed and staffed by the Agency, as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

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

Section 1. The above recitals are found to be true and correct and are hereby adopted.

Section 2. The proposed actions to adopt the 2016 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b). These actions are also exempt under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061(b), and these activities are categorically excluded under NEPA pursuant to 24 CFR Sections 58.35(b)(1), (2), (3), and (4). All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 3. The 2016 Operating Budget totaling \$153,385,810 and the 2016 Project Budget totaling \$27,425,351, all as further described in the 2016 Proposed Agency Budget (Budget), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of the Agency for the 2016 fiscal year. The 2016 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 4. A total of 225 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 5. Subject to availability under the Budget or limitations on use of any required funds, the Executive Director or her designees is authorized to amend the Budget as necessary to

accept funds, expend funds, or transfer funds among operating budgets or project budgets to complete enforceable housing obligations, comply with legal directives of the California State Department of Finance and/or the State Controller's Office, facilitate the dissolution of redevelopment pursuant to AB 1x 26 and AB 1484, or to provide staffing services to County Redevelopment Agency Successor Agency (CRASA). Such transactions must comply with applicable laws and regulations and agreements to provide staffing services for CRASA and are subject to CRASA Oversight Board Approval.

Section 6. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 7. The Executive Director, or designee, is authorized to submit the 2016 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, the Executive Director, or designee, is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects. Please see Exhibit B-1 for a summary of the Public Housing operating budget.

Section 8. The proposed expenditures under the 2016 Housing Operating Budget are necessary for the efficient and economical operation of Agency housing to serve low-income families.

Section 9. The housing financial plan set forth in the 2016 Housing Operating Budget is reasonable in that:

- a. It indicates a source of funding adequate to cover all proposed expenditures.
- b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.
- c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract.
- d. It includes asset management project budgets prepared on an individual basis as shown in the Schedule of Public Housing AMP, Central Office, and Central Services 2016 Budget attached as Exhibit B-1.

Section 10. Form HUD-52574 (08/2005), attached as Exhibit B-2 for signature by the Chair of the Board of the Housing Authority, provides necessary certifications for submission of the Operating Budgets described in Section 9d.

Section 11. Based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service, the Budget implements the fee for service provisions and support service costs. The fee for service provision is predicated on the revenues generated by fees being equal to the cost of services provided.

Section 12. The Executive Director, or designee, is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents, execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the Budget accordingly. The Executive Director, or designee, is directed to comply with all policies, procedures and requirements prescribed by HUD as a condition of such grants. The Executive Director is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review and approval of the Sacramento Housing and Redevelopment Agency Commission.

Section 13. On an annual basis the Agency, on behalf of the Housing Authority of the County of Sacramento (HACOS) conducts a physical inventory, analyzes receivables for collectability and, accordingly, reconciles and adjusts related financial records. The Executive Director, or designee, is authorized to amend the Budget and financial records as needed for such adjustments.

Section 14. The Executive Director, or designee, is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. The Agency on behalf of HACOS is also authorized to obtain flood insurance through the federal flood insurance program for HACOS properties and this coverage may be secured through a local independent agent.

Section 15. Subject to availability under the Budget of any required funds, the Executive Director, or designee, is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with HACOS policy and governing board approvals. The

Executive Director or her designee is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the approved HUD approved conversion.

Section 16. The Executive Director, or designee, is authorized and directed to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and PHA Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 17. The Executive Director, or designee, is authorized to submit to HUD the One Year Action Plan for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA). HACOS, staffed by the Agency is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year Action Plan (Action Plan). If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. The Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. The Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 18. The Executive Director, or designee, is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the Action Plan and funding source requirements.

Section 19. The Executive Director, or designee, is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which HACOS or the Agency is the designated recipient of grant funds or contracting agency. The Agency is authorized to accept such grants, execute contracts to implement homeless activities funded in the Budget and to amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget). The Executive Director, or designee, is authorized to execute contracts for homeless activities funded in the Agency Budget as outlined in the Agency public services schedule.

Section 20. HACOS finds and declares that the proposed expenditure of tax increment

housing funds, as set forth in approved recognized obligation payment schedules, for activities serving the homeless, including providing subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, as allocated/outlined in the budget, will not cause or exacerbate racial, ethnic or economic segregation and will be beneficial to all former Redevelopment Project Areas by facilitating the production of affordable housing and providing housing for a population which remains in or frequents the former Redevelopment Project Areas and is perceived as a blighting influence by business owners, property owners, workers and residents, and as a result impedes the elimination of blight in the community.

Section 21. HACOS further finds and declares that the proposed expenditure of tax increment housing funds, as set forth in approved recognized payment schedules to provide subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, increases, improves, and preserves the community's supply of low and moderate-income housing available at an affordable housing cost to persons and families that are extremely low, very low, low or moderate income households and will be of benefit to the community.

Section 22. HACOS finds and declares that the proposed planning and administrative expenses which may be paid for from the former low and moderate income housing fund, pursuant to an approved recognized payment obligation payment schedule, is necessary for the production, improvement and/or preservation of low and moderate income housing during the 2016 Agency Budget year.

Section 23. HACOS is authorized to amend the budget to transfer or accept funding or assets consistent with an approved recognized payment obligation schedule to the Agency or County RASA for approved capital projects or operating expenses in compliance with all bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.

Section 24. HACOS is authorized to amend the budget to receive assets or transfer assets, receive funds or transfer funds to the County RASA and execute agreements with the County or RASA as necessary to facilitate authorized directives of the State of California, the California State Department of Finance and/or the State Controller's Office or to provide staffing services to RASA. Agreements between the Agency or HACOS and the County RASA are subject to Successor Agency Oversight Board Approval.

Section 25. The Executive Director, or designee, is authorized to submit grant applications on behalf of the Housing Authority of the County for any and all housing and community development activities within the jurisdiction of the Agency. If such grants are awarded (and approved by the governing board if in excess of \$100,000) the Agency is authorized to accept the grant or grants, execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents, and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. The Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Choice Neighborhoods Initiative Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- Social Innovation Fund

Section 26. The Executive Director, or designee, is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Executive Director, or designee, may allocate and transfer any available fund balances to accounts held for future projects or reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source. Further, the Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave, and vacation accruals.

Section 27. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 28. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 29. The Executive Director, or designee, is authorized to increase or decrease operating Budget appropriations up to \$100,000. Operating Budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 30. The Executive Director, or designee, is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.

Section 31. The Executive Director is authorized to increase or decrease project budget appropriations by not more than \$100,000 for each project or activity. Project budget appropriation increases and decreases in excess of \$100,000 must be approved by the appropriate governing board.

Section 32. The Executive Director, or designee, is authorized to transfer any available fund balances from HACOS instrumentalities or affiliates to allocate for future HACOS projects or to reduce budget shortfalls, provided the use and receipt of funds is not otherwise restricted by law or regulations. Such transactions are subject to HACOS instrumentality or affiliate board approval.

Section 33. The Executive Director, or designee, is authorized to amend the Budget to reflect all required debt service payments, pass through payments, loan repayments and other existing obligations based on actual higher or lower revenues.

Section 34. The Executive Director, or designee, is authorized to amend the operating budget or capital project budget, or to transfer funding of approved capital projects or operating budgets within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.

Section 35. The Executive Director, or designee, on behalf HACOS serving as the County Successor Housing Entity, is authorized to execute, and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available revenues as needed for the completion of enforceable housing obligations of the former redevelopment agency to assure receipt of anticipated revenues.

Section 36. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect Agency assets under contracts, loans, disposition and development agreements, owner participation agreements and other Agency agreements and to appropriate the associated revenues in the Budget. The Agency is authorized to enter into "loan work outs," to the extent reasonably necessary to protect Agency assets, and in entering such "work outs," the Agency is authorized to renegotiate and rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the

subject property). Further, the Executive Director, or designee, is authorized to renegotiate existing Agency debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide the Agency with more favorable loan terms.

Section 37. All project appropriations in existence as of December 31, 2015 will be carried over and continued in 2016.

Section 38. All multi-year operating grant budgets in existence as of December 31, 2015 shall be continued in 2016.

Section 39. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2015 may remain in effect in 2016. The Executive Director, or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2015, but only to the extent that the applicable division's 2015 operating budget appropriations exceeded 2015 expenditures.

Section 40. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2016 Budget.

Section 41. If any entity requires a separate resolution to confirm any action approved within this resolution the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 42. The Agency is authorized to delegate the authorities as set out in this resolution to the Agency's Executive Director.

Section 43. The Agency's Multifamily Lending and Mortgage Revenue Bond Policies Program Application Schedule is hereby adopted.

Section 44. This resolution shall take effect immediately.

On a motion by Member _____, seconded by Member _____, the foregoing Resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California, this 10th day of November, 2015, by the following vote, to wit:

AYES: Members,

NOES: Members,

ABSTAIN: Members,

ABSENT: Members,

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

Chair of the Housing Authority of the
County of Sacramento, California

SEAL:

ATTEST: _____
Clerk

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2016 BUDGET

Approved 2016 Total Operating Budget	\$ 153,385,810
Revised Approved 2016 Total Operating Budget	\$0
Approved 2016 New Projects	\$ 27,425,351
Revised Approved 2016 New Projects	\$0
TOTAL SHRA BUDGET	\$ 180,811,161

County Public Housing AMP, Central Office and Central Services Budget

January 1 - December 31, 2016

PHA Code: CA007 County of Sacramento	County AMP 1	County AMP 2	County AMP 3	County AMP 4	County AMP 5	Total County Public Housing	County COCC Central Office & Central Svc
Beginning fund equity	\$ 112,703	\$ 403,878	\$ 923,270	\$ 130,515	\$ 165,472	\$ 1,735,838	\$ 428,056
Revenues:							
HUD Operating Subsidy	850,038	864,601	900,485	-	907,104	3,522,228	-
Maintenance Charges to Tenants	5,000	2,000	14,300	-	7,000	28,300	-
Washer/Dryer Income	4,000	8,000	8,000	-	3,000	23,000	-
Rental Income - Dwelling	360,000	650,000	710,000	-	470,000	2,190,000	-
Interest Income - Investment	1,000	2,000	4,000	-	-	7,000	500
Miscellaneous income	-	-	-	-	10,920	10,920	-
Management Fee	-	-	-	-	-	-	699,734
IT/Bookkeeping Fee	-	-	-	-	-	-	90,405
Asset Management Fee	-	-	-	-	-	-	65,160
Admin Fee (CFP) & (HCV)	-	-	-	-	-	-	1,887,691
Central services fees	-	-	-	-	-	-	858,832
Total operating revenue	1,220,038	1,526,601	1,636,785	-	1,398,024	5,781,448	3,602,322
CFP Mgmt impr transfers	53,152	53,570	62,556	-	59,260	228,538	-
Total revenues and transfers in	1,273,190	1,580,171	1,699,341	-	1,457,284	6,009,986	3,602,322
Expenditures:							
Employee Services:							
- Management/Maintenance	330,640	468,808	472,885	-	420,440	1,692,773	1,204,860
- Resident Trainees	12,031	12,031	13,535	-	13,535	51,132	-
Total Employee Services	342,671	480,839	486,420	-	433,975	1,743,905	1,204,860
Services & Supplies:							
- Management/Maintenance	625,183	655,777	750,473	-	393,009	2,424,442	2,758,385
- Resident Trainees	44,972	45,430	53,612	-	50,008	194,022	-
Total Services & Supplies	670,155	701,207	804,085	-	443,017	2,618,464	2,758,385
Other Charges:							
Financial Transactions	112	204	6,428	1,087	280	8,111	93
Central Service Fees	52,312	62,196	69,429	-	57,616	241,553	-
Miscellaneous (PILOT, Depr.)	17,048	38,387	33,408	-	18,567	107,410	-
Management Fee	150,350	181,812	200,736	-	166,836	699,734	-
IT / Bookkeeping Fee	19,425	23,490	25,935	-	21,555	90,405	-
Asset Management Fee	-	-	36,240	-	28,920	65,160	-
Total operating expense	1,252,073	1,488,135	1,662,681	1,087	1,170,766	5,574,742	3,963,338
Ending Balance	\$ 133,820	\$ 495,914	\$ 959,930	\$ 129,428	\$ 451,990	\$ 2,171,082	\$ 67,040

Board Resolution Approving the AMP Budgets
PHA Board Resolution
Approving Operating Budget

OMB No. 2577-0026
(exp. 10/31/2009)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Real Estate Assessment Center (PIH-REAC)

Previous editions are obsolete form HUD-52574 (08/2005) Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority- County of Sacramento

PHA Code: CA007

PHA Fiscal Year Beginning: 01/01/16

Board Resolution Number:

Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

Operating Budgets (*for COCC and all Projects*) approved by Board resolution on:

Operating Budget submitted to HUD, if applicable, on:

Operating Budget revision approved by Board resolution on:

Operating Budget revision submitted to HUD, if applicable, on:

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(e) and (f); and
6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.325.

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairman's Name: Phil Serna	Signature:	Date:
--	------------	-------

RESOLUTION NO. SHDC ____

ADOPTED BY THE SACRAMENTO HOUSING DEVELOPMENT CORPORATION

ON DATE OF

**SACRAMENTO HOUSING DEVELOPMENT CORPORATION RIVERVIEW PLAZA
RESIDENTIAL PROJECT OPERATING BUDGET; RELATED FINDINGS,
AUTHORIZATIONS AND APPROVALS**

**NOW THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF
DIRECTORS OF THE SACRAMENTO HOUSING DEVELOPMENT CORPORATION:**

Section 1. The proposed actions to adopt the 2016 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b). These actions are also exempt under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15061(b). There is no federal funding associated with these actions; therefore, NEPA does not apply. All other actions are associated with the adoption of the 2016 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The Budget totaling \$720,580 for the Riverview Plaza Residential project, which is incorporated in the budget of the Sacramento Housing and Redevelopment Agency, all as further described in the "2016 Proposed Budget", a copy of which is on file with the Agency Clerk, is approved as the Operating Budget for the 2016 fiscal year for the Sacramento Housing Development Corporation (2016 Budget).

Section 3. The Executive Director of the Sacramento Housing Development Corporation (Executive Director) is authorized to obtain flood insurance for the Riverview Plaza Residential project through the federal flood insurance program, and is authorized to purchase liability insurance and enter into agreements with risk retention pools or other similar organizations, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved 2016 Budget.

Section 4. The Executive Director is authorized to submit grant applications for any and all activities within the authority and jurisdiction of the Sacramento Housing Development Corporation. The Executive Director is authorized to accept such grants, amend the 2016 Budget to receive and allocate the grant funds, and to implement the actions required by the grant for any projects and programs currently within the Sacramento Housing Development Corporation's authorization and jurisdiction, provided that the activities are fully funded by the grant. Such Budget amendments are permitted for, but not limited to, positions, services and supplies, equipment and projects.

Section 5. The Executive Director is authorized to make transfers of fund balances to accommodate reserve requirements. The Executive Director may allocate and transfer any available fund balances to accounts held for future projects or to reduce budget shortfalls in any other fund balances, provided monies so used are not restricted by law or regulations related to the funding source.

Section 6. The Executive Director is authorized to make payments on debt incurred by the Sacramento Housing Development Corporation as necessary to comply with the provisions of the Partnership Agreement within which the Corporation serves as the General Partner, and as deemed prudent and necessary by the Executive Director on behalf of the Sacramento Housing Development Corporation and within the 2016 Budget hereby adopted.

Section 7. The Executive Director is authorized to act on behalf of the Sacramento Housing Development Corporation with the same authority as conferred upon the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 8. This resolution shall take effect immediately.

On a motion by Director _____, seconded by
Director _____, the foregoing Resolution was passed and adopted
by the Sacramento Housing Development Corporation, State of California, this 10th day of
November, 2015, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

ABSTAIN: Directors,

ABSENT: Directors,

RECUSAL: Directors,
(PER POLITICAL REFORM ACT (§ 18702.5))

Chair, Board of Directors
Sacramento Housing Development
Corporation

(SEAL)

ATTEST: _____
Clerk

BACKGROUND

Public Housing:

The Housing Authorities' own and/or manage approximately 3,416 housing units within the City and County of Sacramento. Of these, 2,788 of the units were developed under the federal public housing program administered by the Department of Housing and Urban Development (HUD) and are located throughout the Sacramento region with (1,753 units) in the City and (1,035 units) in the County. Approximately 1,000 of these units are designated as elderly and/or disabled only with the remaining units available to families. Program revenues are generated from tenant rent collections and operating subsidies provided by HUD. The amount of rent paid by the tenants is based on 30 percent of gross family income minus certain other adjustments. In addition to the public housing units, the Housing Authority manages another 628 units of local non-public housing.

The average occupancy rate in the Public Housing program is 99 percent for public housing properties available to be leased. Rents reflect a slight decline over the last several years due primarily to: 1) long term vacancies associated with major rehabilitation projects, 2) the disposition of three public housing high-rises to the Agency affiliated non-profit the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), 3) the sale of single family public housing units under the HUD 5h/Section 32/PRE program and 4) the reduction in Temporary Aid to Need Families (TANF) and Social Security Income (SSI) to public housing tenants which reduces the tenants share of the rental payments (30% of income).

HUD operating subsidy, the funds provided by HUD to the Agency to pay the costs of the program not covered by tenant rents, is appropriated annually through the federal budget process. Given the turmoil surrounding the federal budget, annual appropriations have been erratic reaching as high as 103% of funding eligibility in 2010 to as low as 82% in 2013. In 2015 the program is being funded at 87% of funding eligibility, meaning that the program is only receiving 87% of what HUD believes the Agency needs to run the program. This requires the public housing program to cut operating costs wherever possible and utilize its meager operating reserves. The Agency anticipates a similar level of funding for 2016.

Local Housing (Non-Federal):

The Agency's local housing projects, units not regulated by HUD, have shown positive revenue trends. The primary reason for this change is increased revenues in the Phoenix Park and Riverview Plaza projects and the addition of Villa De Novo and Norcade Circle Projects. Revenues are projected to be relative status quo compared with 2015 levels.

Also included in the Agency budget is the Sacramento Housing Development Corporation (SHDC) budget, a nonprofit public benefit corporation created to serve as the general partner of Riverview Plaza Associates (RPA). Riverview Plaza Associates (RPA) is a California limited partnership created to provide affordable housing to seniors with limited income. The County Board of Supervisors serves as the Board of Directors of the partnership and the Housing Authority of the City of Sacramento serves as the limited partner. The 2016 budget of SHDC and its limited partnership is \$711,917 and is approved annually by the County Board of Supervisors sitting as the Board of SHDC.

Capital Fund Program (CFP):

The HUD CFP provides funding specifically intended for the development, financing, modernization, and management improvements for properties owned by the housing authority under the HUD public housing program. Funds are allocated annually via a formula and the Agency receives funding for the public housing properties owned by both the City and County Housing Authorities. Between 2002 and 2015, HUD funding for the capital improvements and modernization of public housing properties decreased 48 percent, with the sharpest decrease coming in 2011 at 21 percent. 2016 HUD funding for the CFP is expected to decrease slightly from the 2015 level. Revenue estimates are based on the current year grant amounts and are adjusted based upon Federal appropriation proposals.

Housing Choice Voucher Program (HCV):

The Housing Choice Voucher (formerly Section 8 Housing Assistance) program is funded by the U.S. Department of Housing and Urban Development (HUD) through Annual Contribution Contracts (ACC). The Agency administers this program on behalf of the Housing Authority of the County of Sacramento. The Housing Choice Voucher program permits the applicant to obtain housing in the private rental market using housing vouchers. Program participants pay a portion (an adjusted 30 percent of gross family income) of the lease rate to the owner and the remaining rent amount is paid by the Housing Authority. Participants can utilize their voucher anywhere in the City or County of Sacramento.

Revenue under the HCV program is received from HUD in the form of Housing Assistance Payments (HAP) and Administrative Fees (AF). The federal appropriations process dictates the amount of funding that will be allocated to the HCV program on a national level. Jurisdictional funding allocations are performance based, with the funding level determined by the number of authorized vouchers leased. Currently, the Housing Authority has 12,063 vouchers authorized for leasing each month and the program has effectively maintained a leasing level between 98-100 percent utilization of all vouchers authorized by HUD since 2008.

The high utilization level of vouchers makes the program eligible for maximum funding from HUD. Despite the fact that the Agency is entitled to maximum funding for the program, HUD has intentionally provided less funding than required to cover HAP costs in an effort to recapture accumulated HAP reserves from public housing authorities across the country. In 2008 and 2009 HUD intentionally recaptured HAP reserves leaving the Housing Authority with approximately

two weeks of reserves. Therefore, managing leasing levels has become exceptionally important. During the Sequestration cuts of 2013, HUD provided significantly less funding than was required to cover the scheduled housing assistance payments to landlords. The Agency's 2013 funding eligibility of \$103.7 million was prorated at 95 percent, a funding cut of \$5.2 million. In 2014 and 2015, HUD prorated our eligibility at 99.5 percent and the Agency anticipates a similar funding level for 2016 based upon the current proposals moving through Congress.

HCV administrative funding eligibility is based upon the number of units leased within the Housing Authority's authorized voucher allocation, currently 12,063 units per month. Once eligibility is determined, HUD uses a formula to determine administrative fees for the Agency. For 2015, the Agency receives \$83.77 for the first 7200 unit months leased and \$78.19 on all remaining unit months leased. HUD then applies a proration to the formula to reduce fees paid so that the administrative fees paid to housing authorities' matches the appropriations provided by Congress. Sequestration triggered a 69 percent proration of 2013 HCV administrative funding eligibility. In 2014 and 2015 the pro-ration increased to 75 percent of administrative funding eligibility. The Agency expects funding in 2016 to remain the same given the wide array of funding levels purposed by the administration and Congress.

Community Development Block Grant (CDBG):

CDBG is a federal entitlement program provided to communities annually for the benefit of low-income persons through housing improvement, public improvements, economic development, public service and elimination of blighting conditions. Areas of Sacramento which are low-income and extremely physically blighted have been selected for targeted CDBG assistance in the areas of capital improvements, housing preservation and renovation, and economic development and commercial revitalization activities. These funds must be used to augment but not replace local funds and responsibilities.

The annual HUD CDBG entitlement budget is allocated to cities and counties based on a formula comprised of several measures. The Agency receives grants for both the City of Sacramento and the County of Sacramento. Since 2010, CDBG appropriations have been cut by 25 percent. Revenues are projected to be relative status quo with 2015 levels.

Home Investment Partnership Program (HOME):

The Agency administers the HOME program on behalf of the City and County of Sacramento as well as the City of Citrus Heights through a consortium agreement. This program provides for the preservation and expansion of affordable housing to very low and low-income persons. Housing developers and sponsors (both for-profit and non-profit) apply to the Agency for funding. In the past, HOME funds have assisted families in purchasing their first home, renovated deteriorating housing units and assisted in special housing programs.

The annual HUD HOME budget is allocated to states and participating jurisdictions as formula grants. The Agency receives HOME entitlement for both the City of Sacramento and the County of Sacramento. Since 2010, appropriations for HOME have declined by 47 percent. Funding

improved slightly in 2014 and 2015, but current federal funding proposals for 2016 reflect the possibility of another cut to the program on a national level.

Housing Trust Funds (HTF):

The Agency administers the Housing Trust Fund on behalf of the City and County of Sacramento. The City and County of Sacramento adopted ordinances in 1989 and 1990 respectively, for the purposes of generating fees for the development of affordable housing near employment centers. Fees collected from non-residential development are deposited in the Housing Trust Fund, and are used to fund affordable housing projects that are intended to serve the low income workforce employed by the commercial businesses in the surrounding area.

Housing Trust Fund fees have dropped dramatically due to the sharp decline in number of commercial building permits being issued. HTF fees in the City and County have increased slightly with the improving development climate.

**Sacramento Housing and Redevelopment Agency
Multi-Family Loan and Mortgage Revenue Bond Application**

2016 Schedule and Anticipated Funding

July 9% TCAC & CDLAC Applications:

Pre-Application Deadline	Jan. 4, 2016
Application Deadline	March 1, 2016
Environmental Deadline*	April 20, 2016
Sacramento Housing and Redevelopment Commission (SHRC)	June 1, 2016
Board of Supervisors/Council Council (Board/Council)	June 21, 2016
Est. 9% TCAC/CDLAC Application Deadlines	July 6, 2016/July 15, 2016

October CDLAC Application:

Pre-Application Deadline	April 1, 2016
Application Deadline	June 1, 2016
Environmental Deadline*	August 10, 2016
SHRC	Sept 21, 2016
Board/Council	Oct 11, 2016
Est. CDLAC Application Deadline	October 21, 2016

January CDLAC Application:

Pre-Application Deadline	June 1, 2016
Application Deadline	August 1, 2016
Environmental Deadline*	October 5, 2016
SHRC	November 16, 2016
Board/Council	December 6, 2016
Est. CDLAC Application Deadline	January 20, 2017

March 9% TCAC & CDLAC Applications:

Pre-Application Deadline	August 1, 2016
Application Deadline	October 3, 2016
Environmental Deadline*	December 14, 2016
SHRC	February 1, 2017
Board/Council	February 21, 2017
Est. 9% TCAC/CDLAC Application Deadlines	March 1, 2017/March 17, 2017

May CDLAC Application:

Pre-Application Deadline	November 1, 2016
Application Deadline	January 3, 2017
Environmental Deadline*	March 9, 2017
SHRC	April 19, 2017
Board/Council	May 9, 2017
CDLAC Application Deadline	May 19, 2017

2016 Anticipated Multifamily Loan Funding:City of Sacramento

HOME **	\$2.9 million
CDBG (prevailing wage rehabilitation)	\$1.0 million
Housing Trust Fund (workforce housing)	\$2.6 million

County of Sacramento

HOME **	\$3.0 million
CDBG (prevailing wage rehabilitation)	\$2.2 million
Housing Trust Fund (workforce housing)	\$0.3 million
County Affordable Housing Program (workforce housing)	\$1.5 million
Mental Health Services Act (permanent supportive housing)	\$0.8 million

* Includes anticipated 2016 revenues and prior years unallocated balances

** Prevailing wages required if more than 11 units assisted

November 4, 2015



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT **Upper Land Park – Broadway Choice Neighborhoods Initiative Final
Neighborhood Transformation Plan**

RECOMMENDATION

Informational

CONTACT PERSONS

Celia Yniguez, Management Analyst, 440-1350
Kyle Flood, Program Manager, 440-1311

SUMMARY

The 24 month grant term for the Upper Land Park – Broadway Neighborhood Transformation Plan (NTP) is nearly complete. A final NTP was prepared incorporating changes to respond to public comments, information from the commercial and residential market study, and updates to various activities.

BACKGROUND

The Housing Authority of the City of Sacramento received a FY2013 Choice Neighborhoods Initiative Planning Grant (CNI) to prepare a Neighborhood Transformation Plan (NTP) for the Upper Land Park-Broadway neighborhood. Located just south of Broadway, between Interstate 5 and Riverside Blvd., Marina Vista (391 units) and Alder Grove (360 units) public housing communities suffer from severe physical distress.

The Choice Neighborhoods Initiative is a program of the United States Department of Housing and Urban Development (HUD), and focuses on improving severely distressed

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
November 4, 2015
Page 2

public housing and resident self-sufficiency (Attachment 2 details the CNI goals and the process to date). Choice Neighborhoods is focused on three core goals:

1. Housing: Transforming distressed public and assisted housing,
2. People: Supporting positive outcomes for families who live in the target development(s) and the surrounding neighborhood; and
3. Neighborhood: Transforming distressed, high-poverty neighborhoods into viable, mixed-income communities.

Planning Grants are intended to assist communities in developing a comprehensive neighborhood revitalization strategy and build the support necessary for the plan to be successfully implemented. The NTP will serve as the visioning document for the revitalization of the public housing units, and will guide the transformation of the surrounding neighborhood and positive outcomes for families. The NTP is not an entitlement plan, and any potential projects or programs envisioned will need to be funded and approved through existing processes.

SHRA, the City of Sacramento, and the selected development team comprised of Related Companies of California, Mercy Housing California, and Regis Homes Sacramento, has been working since November 2013 with the community to prepare the NTP. This community driven effort to develop the NTP was a broad approach to ensure a connected, integrated plan for improving the broader neighborhood, in addition to the two public housing sites. The team facilitated this broad based planning process which included extensive community participation. There were opportunities for all types of participation for Marina Vista and Alder Grove residents, residents from the adjacent neighborhoods, business and property owners, service providers, as well as any interested individuals. These opportunities included community wide meetings and workshops, small group discussions, responding to surveys, and participation in committees and task forces.

The CNI grant requires a submission of a draft Plan 18 months through the process, and a final plan at the end of two years. The draft NTP was submitted to HUD in June 2015 and the final NTP will be submitted by November 22, 2015. The community driven visioning process to date has included more than 50 task force and committee meetings, two housing tours, seven community meetings and four public housing resident meetings.

Neighborhood Transformation Plan Highlights:

- 1,200 to 1,500 unit mixed income, mixed use community with a diversity of housing types
- New circulation patterns and hierarchy of streets that emphasize pedestrian and bicycle safety and slows vehicle traffic
- Establishes a framework and system to support residents of all ages holistically, addressing their physical, mental, socio-emotional and education needs

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
 November 4, 2015
 Page 3

- Increases **access** to services and economic opportunities locally and in the City
- Builds a community where residents come together to collectively create their community of choice through a variety of activities and governance structure
- Strengthen the Broadway corridor as a destination for shopping, dining, working and playing while providing access to day-to-day services and goods

Public Comments

All of the concerns submitted regarding the draft NTP were raised by non-public housing residents. Most concerns identified were also raised during the planning process. The comments were reviewed by the staff and the development team. The following summarizes how the comments were addressed.

Comment	Response
Adjacent neighbors' concerns have not been considered	The NTP is a vision that will guide the redevelopment of Marina Vista and Alder Grove. It is a combination of input from Marina Vista and Alder Grove residents, residents from adjacent neighborhoods, such as Upper Land Park, Southside Park, Land Park, business and property owners, service providers and churches. The NTP balances multiple perspectives and interests while striving to achieve the CNI goals.
Replace some of the 751 public housing units off-site	The team is actively evaluating off-site opportunities for replacement housing, reviewing more than 50 locations to date. The team will further evaluate the most promising sites and any others which may arise.
Increase the number of market rate single family homes and apartments	The current market conditions do not support market rate rental. As the concept plan is refined in the near term, the market may change. The amount of market rate housing and rental can be revisited.
Increased density will result in increased traffic and crime	Increased density does not result in increased traffic and crime when designed well. The proposed concept plan has a more traditional grid pattern and where possible, more connections north to Broadway. This will distribute the traffic to the extent possible. The concept plan incorporates crime prevention through environmental design elements

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
 November 4, 2015
 Page 4

Comment	Response
	(CPTED). The current layout of the Marina Vista and Alder Grove incorporates few of these principles. Additionally, the City will review all planning approvals utilizing CPTED principles.
The housing plan's density does not fit with the adjacent neighborhood	The NTP includes an appropriate transition to the surrounding neighborhood, by proposing single family market rate units immediately adjacent to the Upper Land Park neighborhood at a similar density.
Negative impacts of redevelopment on the New Helvetia historic district Explore options to retain the district's historic character while increasing density and mixed incomes and utilization of incentives for adaptive reuse	A historic consultant was been retained to analyze the historic significance of the property and its character-defining features and will provide recommendations to be used as the vision document is refined.
Federal historic consultation process should be initiated	Staff will work with the consultant to initiate the Section 106 consultation process.
Include an interactive museum to commemorate Nathaniel Colley at Alder Grove	This was a new idea. The development team has met with and will continue to meet the Colley Family and other appropriate parties to discuss the opportunities to commemorate him on site.
Support destination development along the western Broadway business corridor on both sides of the street	The NTP supports revitalization efforts along the Broadway corridor, but current market conditions do not show sufficient demand for a significant amount of commercial. The feasibility to relocate, the highly utilized soccer fields in O'Neil Park, on the north side of Broadway was evaluated by City staff and was determined to be very limited to the availability of land in an appropriate location and the cost of relocating/re-installing lighting and other infrastructure.
Residents should have the right to return after redevelopment	This is required and is included in the NTP for households that are in and remain tenants in good standing.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
November 4, 2015
Page 5

Comment	Response
Ensure educational improvements and more robust services for residents	The team believes the people components, education, health and work force development programs are robust given the limited resources, and remain a high priority. This is an area which will receive extensive focus in the short term.

Recent Accomplishments

As a result of the planning process, change is underway. Below are just five examples of such change underway in the community:

- 130+ new slots for summer youth (K-6) programs created
- School 2 Home program started – infusion of technology in the curriculum/homework
- Groundwork established for Student Services Center at Leataata Floyd Elementary (LFE)/Establish LFE as a full-service community school by the new Mercy Resident Services Manager
- Parent Leadership Pathways workshops started
- Car Share in Disadvantaged Communities Pilot Project – 2 battery-electric vehicles at Alder Grove and financial assistance for application, membership, and basic usage for income qualified residents. Start up is anticipated in summer/fall 2016.

Next steps have been identified across the three core CNI principles to advance the effort including: refining the concept plan; complete neighborhood planning projects; and various programs to support residents in education, leadership and health. In the near term due to availability of resources and the need, the priority will be on bringing more services to residents through the elementary school and on the public housing sites. The long term efforts will focus on refining the housing density and types.

FINANCIAL CONSIDERATIONS

There is no fiscal impact associated with this report.

POLICY CONSIDERATIONS

The information contained herein is relevant to the City and County Housing Authority 2007 Asset Repositioning Strategy. The NTP is conceptual and not an entitlement plan, and any potential projects or programs envisioned would need to be approved through existing processes.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission
November 4, 2015
Page 6

The conceptual NTP is also relevant to the 2013-2021 City Housing Element which includes policy to preserve and rehabilitate existing affordable housing and to provide housing for extremely low income households. The HUD approved 5-year Public Housing Authority Plan affirms Marina Vista and Alder Grove as public housing developments designated for potential demolition and or disposition. Specific Housing Element policies related to this are: 1) H-3.1.1 related to extremely low income housing needs, 2) H-4.4 regarding the preservation of affordable housing, and 3) Program 74 regarding the Housing Authority's Asset Repositioning Strategy.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The specific actions herein consist of the filing of a report and are not a project as defined by CEQA Guidelines Section 15378 (b)(5).

National Environmental Policy Act (NEPA): The informational item has been analyzed in accordance with NEPA and is Exempt per 24 CFR 58.34(a)(1).

M/WBE AND SECTION 3 CONSIDERATIONS

Minority and Women's business Enterprise and Section 3 requirements have/will be applied to all activities to the extent required by federal funding to maintain that funding. The First Source Program for employment opportunities is not applicable to this report because it does not include contracts.

Respectfully submitted,



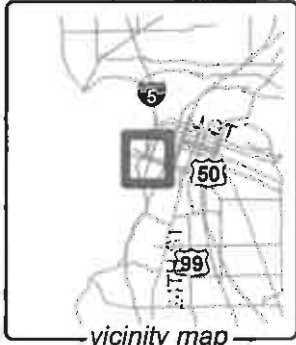
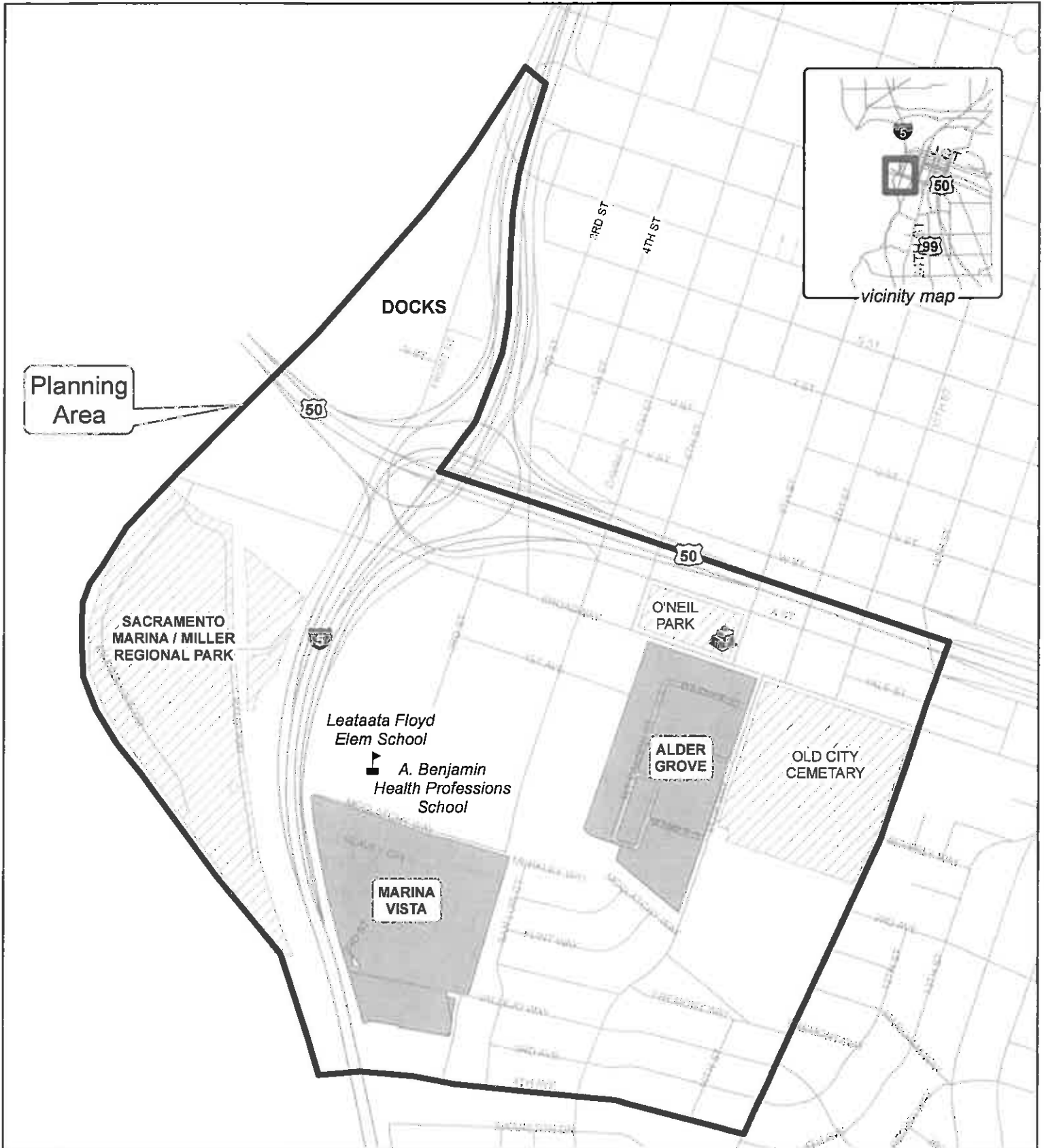
LA SHELLE DOZIER
Executive Director

Attachments

- Attachment 1 - Map
- Attachment 2 – Background
- Attachment 3 – Powerpoint Presentation



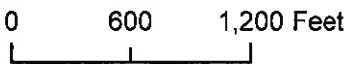
Upper Land Park - Broadway CNI Neighborhood Transformation Plan



Planning Area

- CNI Planning Area Boundary
- City Owned Parcel
- Housing Authority Owned Parcel

- School
- Fire Station



SHRA GIS
October 27, 2015

Background

The Housing Authority of the City of Sacramento applied for and received a FY2013 Choice Neighborhoods Initiative Planning Grant (CNI) to prepare a Neighborhood Transformation Plan (NTP) for the Upper Land Park-Broadway neighborhood in November 2013. SHRA, the City of Sacramento, and the selected development team comprised of Related Companies of California, Mercy Housing California, and Regis Homes Sacramento, was the team assembled to complete the Transformation Plan by November 2015.

The Choice Neighborhoods Initiative is a program of the United States Housing and Urban Development (HUD), and focuses on improving severely distressed public housing and resident self-sufficiency. Choice Neighborhoods is focused on three core goals:

1. Housing: Transforming distressed public and assisted housing into energy efficient, mixed-income housing that is physically and financially viable over the long-term;
2. People: Supporting positive outcomes for families who live in the target development(s) and the surrounding neighborhood, particularly outcomes related to residents' health, safety, employment, mobility, and education; and
3. Neighborhood: Transforming distressed, high-poverty neighborhoods into viable, mixed-income neighborhoods with access to well-functioning services, high quality public school and education programs, high quality early learning programs and services, public assets, public transportation, and improved access to jobs.

The Choice Neighborhoods program awards planning and implementation grants on a competitive basis. Planning Grants are intended to assist communities in developing a comprehensive neighborhood revitalization strategy, or Neighborhood Transformation Plan (NTP), and build the support necessary for the plan to be successfully implemented. The NTP is the visioning document for the revitalization of the public housing units, and will guide the transformation of the surrounding neighborhood and positive outcomes for families. The NTP is not an entitlement plan, and any potential projects or programs envisioned will need to be funded and approved through existing processes.

Located just south of Broadway, between Interstate 5 and Riverside Boulevard, the Marina Vista and Alder Grove public housing communities suffer from severe physical distress with outdated 60-year old infrastructure and building systems. The 751 residential units at the two locations are undersized, with small rooms and few closets and do not meet the needs of today's families. Additionally, the site layouts of these

communities do not promote safety or a sense of “defensible space.” The physical needs assessment identify the current rehabilitation needs for Alder Grove at \$51.3 million and Marina Vista at \$51.5 million.

There are approximately 1,800 residents living in both communities, of which 44% are under 18 years of age, 36% are between the ages of 18 and 54 and the remaining are 55 or older. The largest ethnic group is Black/African-American at 47%, Hispanic/Latino at 21%, Asian at 15% and White at 14%.

For the entire Upper Land Park – Broadway Planning area, the average median income is \$22,798, compared the \$49,753 for the City. Approximately 45% of the residents are not in the labor force and the rate of unemployment is 14%. In the City, it is 36% and 9% respectively.

There are important advantages associated with these two sites due to their proximity to employment opportunities in Downtown and Midtown and education institutions (Leataata Floyd Elementary School, Health Professions High school, Sacramento City College). Additionally, in 2015 significant investments are underway nearby including The Mill at Broadway, a mixed use residential development of up to 825 homes and open space on approximately 32 acres and relocation of The Kitchen, owned by the Selland Family Restaurants on Broadway. This is being done through the Broadway Street Improvements project which was initiated earlier this year and is anticipated to be complete in 2016.

The effort to develop the NTP is a broad approach to ensure a connected, integrated plan for improving the broader neighborhood, in addition to the two public housing sites. This broad based planning process was managed by SHRA, the City of Sacramento and the development team, and included extensive community participation. In addition to community meetings, workshops and other forms of public engagement, stakeholders have the opportunity to participate in a number of committees and task forces that provide ongoing input into the NTP. The committees and Task Force groups working on the effort are as follows:

- **Community Advisory Committee (CAC):** Comprised of representatives from the local neighborhood associations and Marina Vista and Alder Grove residents, the CAC provides input on the overall process and plan.
- **Neighborhood Task Force (Led by the City of Sacramento Planning Department):** responsible for identifying the current base zoning and planning conditions, new neighborhood initiatives, plus key assets and deficiencies of amenities in the neighborhood.
- **People Task Force:** focused on identifying resources and unmet needs of area residents, and planning for provision of programs

and services that will support these needs into the future. Three sub-committees address education, health and economic development in greater depth.

- Housing Task Force: addresses the redevelopment of the two sites, taking into account the need to replace all of the housing units either on-site, within the area, or outside the planning area subject to HUD guidelines. They will also utilize the People and Neighborhood Task Forces' work to ensure the NTP helps address neighborhood-wide needs and priorities.

The CNI process requires a submission of a draft Plan 18 months through the process, and a final plan at the end of two years. The draft NTP was submitted to HUD in June 2015. The community driven visioning process to date has included more than 50 task force and committee meetings, two housing tours, seven community meetings and four public housing resident meetings.

Several concerns were raised by the adjacent neighbors and other interested parties during the planning process. The team worked to address these concerns as appropriate. Per the grant requirements, the NTP must include a strategy for replacing or preserving all of the 751 public housing units on site or off-site. Under HUD guidelines, any off-site units must be located in census tracts that have low concentrations of poverty or minority households, and must be near transit and services. An analysis of eligible areas for off-site replacement includes portions of East Sacramento, Land Park and South Natomas. Some neighbors requested as much as 50% be replaced off-site. Off-site locations have challenges due to availability of sites, high land costs, and potential community concerns associated with the development of public or affordable housing. Neighbors have also expressed concerns that additional density will increase traffic and crime. Finally, Alder Grove is listed on the National Register of Historic Places as a Historic District, led by the efforts of the Upper Land Park Neighbors and the Sacramento Old City Association, current known as Preservation Sacramento.

Choice Neighborhoods Initiative Upper Land Park – Broadway Final Neighborhood Transformation Plan November 4, 2015



Marina Vista / Alder Grove
Sacramento, CA.

CHOICE NEIGHBORHOODS INITIATIVE

- Background/Framework
- Review Planning Process
- Review the Plan/Visioning Document
- Accomplishments
- Next Steps

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED ENERGY
HOUSING FINANCING



VAN METER
WILLIAMS
& POLLACK



Planning Team

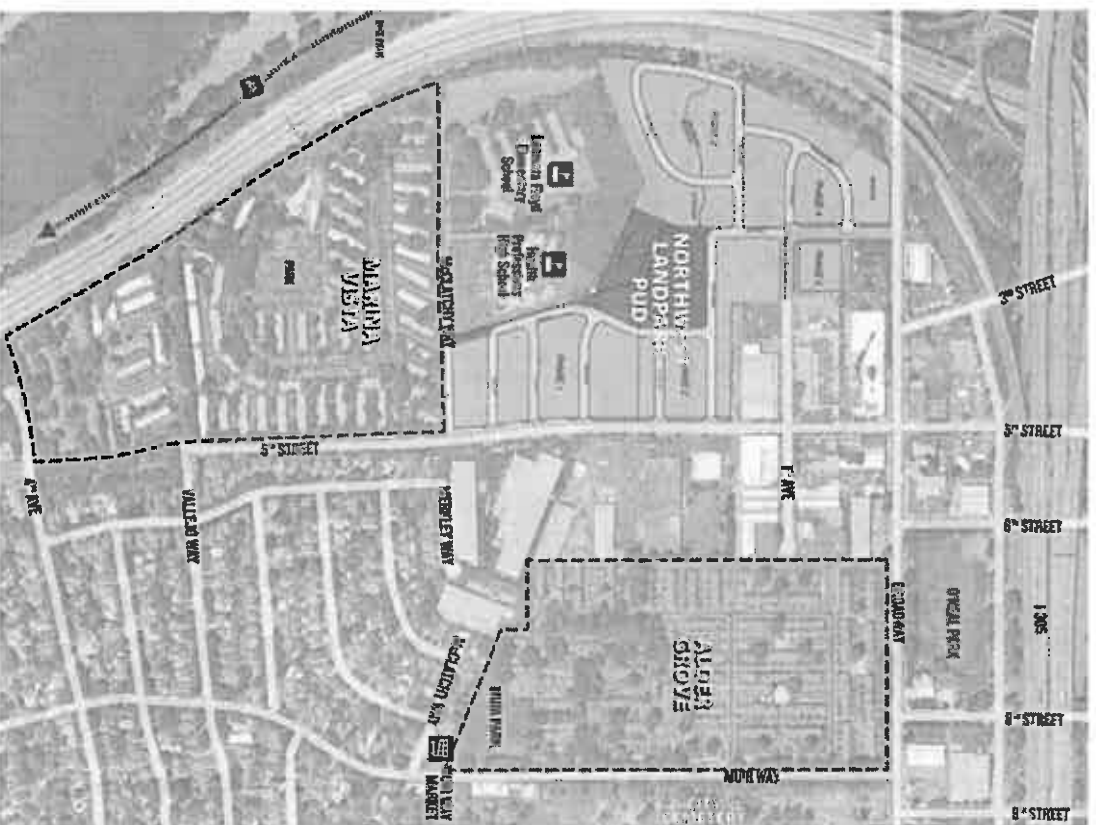
- SHRA
- City of Sacramento, Neighborhood Lead
- Related California, Housing Lead
- Mercy Housing California, People Lead
- EJP Consulting Group, Planning Coordinator

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



Existing Site



Statistics and Zoning

- Site Area: 68 acres
- Existing 751 units, 11 du/acre
- Constructed:
 - Alder Grove - 1942 & 1953
 - Marina Vista - 1953
- General Plan: Traditional N'd: 18-36 du/acre
- Zoning: R-3: 30 du/acre maximum

Physical Needs Assessment:

- Rehabilitation need \$100M+
- Structural deficiencies
- Knob and tube electrical & low capacity
- None or old air conditioning
- Inefficient/effective heaters
- Original infrastructure end of lifespan
- Design deficiencies
 - Easily identifiable as Public Housing
 - Large open, unprogrammed, ped-only courtyards
 - Sites and units not accessible

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO

SHRA

RELATED MERCY

VAN FLETTER
WILLIAMS
POLLACK

Choice Neighborhood Initiative Core Program Goals:

- Transform distressed public **HOUSING** into energy efficient, mixed-income housing that is physically and financially viable over the long-term
 - 1 for 1 replacement
 - Right to return for existing residents in good standing
- Support positive outcomes related to health, safety, employment, mobility, and education for **PEOPLE** living within the target development and the surrounding neighborhood
- Transform high-poverty **NEIGHBORHOODS** into viable, mixed-income communities with access to services, education, jobs, and transportation choices

Community Planning Process

Advisory & Task Force Meetings

- Community Advisory Committee Meetings – 12
- Housing Task Force Meetings – 13
- Neighborhood Task Force Meetings – 9
- People Task Force Meetings – 26
- MV/AG Resident Meetings – 4
- Asset Mapping Workshops Meetings – 2
- Project Voice CNI Planning Meetings – 6
- Community Meetings
- Resident Meetings



Guiding Principles



Safe Streets, Safe Homes, Safe Community
Feelings of personal and community safety are fundamental for Upper Land Park-Broadway to become a well-functioning neighborhood.

Dynamic and Livable Neighborhoods

The transformation of Upper Land Park-Broadway should be inclusive of residents across a range of incomes, ages and abilities with a focus on sustainability, quality amenities and services, and community-building.

Excellence in Learning and Opportunities for Personal Growth

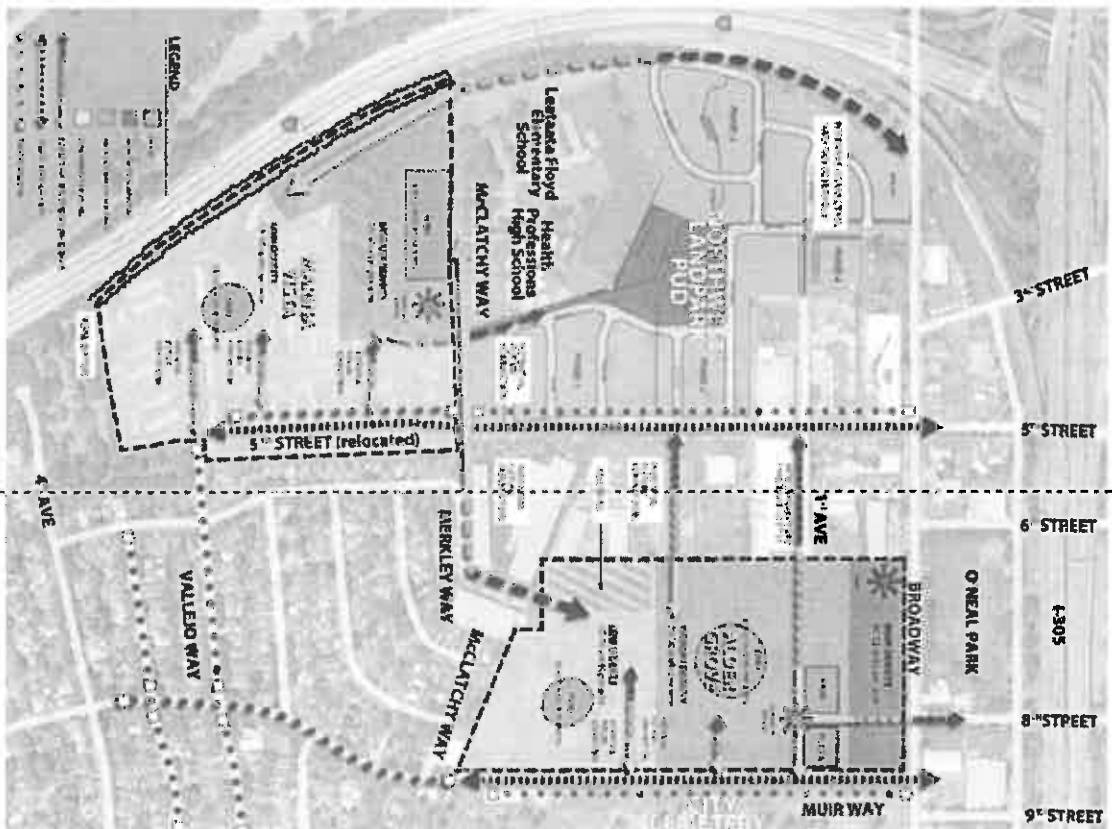
Not only sticks and bricks, transforming Upper Land Park-Broadway also means transforming lives and providing residents the resources and opportunities to assist them with maximizing their potential.

Marina Vista / Alder Grove
Sacramento, CA.

Overall Master Plan

CNI Goal is a Mixed Income Neighborhood

- Public, workforce and market rate housing
- Density transitions down to single family adjacent to neighborhood
- Connectivity internal/external
- Smaller parks/open space
- Activate Broadway with mixed use
- Less density than allowed



Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED OFFICE



Draft Concept Master Plans



1200 Unit Concept Plan



1500 Unit Concept Plan

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED MKCJ
SIXTH STREET



VAN METER
WILLIAMS
& POLLACK

Draft Concept Master Plans

	Existing Alder Grove Marina Vista	Alder Grove Marina Vista 1200	Alder Grove Marina Vista 1500	Maximum zoning 30 du/acre
Public Housing	751	751	751	
Workforce Rental	0	102	451	
Affordable Homeownership	0	30	30	
Market Rate Homeownership	0	334	285	
Total	751 11 du/acre	1200 17 du/acre	1500 21 du/acre	2112 30/du acre

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



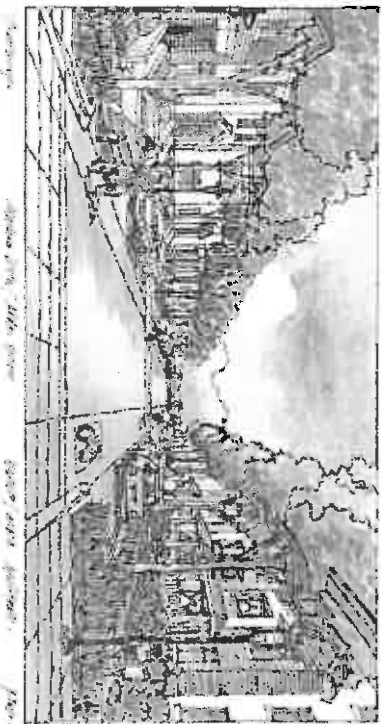
RELATED MERCY
IN AID



Overall Master Plan

Implementation Costs

- Redevelopment of Marina Vista and Alder Grove - \$270M to \$370M
- Neighborhood / Commercial Corridor Improvements - \$10-\$11M+
- Service Coordination and Programming - \$4.78
- Educational Supports and Improvements \$1.6M



Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED
EDUCATION
SERVICES



VAN METER
WILLIAMS
POLLACK

Draft NTP Comments/Responses

- Neighborhood Resident Input
- Housing Plan
 - Replace some units off-site
 - Increase market rate housing and rental
 - Doesn't fit with neighborhood
 - Increased density will result in traffic and crime
- Historic Preservation
 - Negatively Impacts Historic District
 - Explore opportunities to infill between existing buildings
 - Initiate Federal historic consultation process
 - Interactive museum for Nathaniel Colley

Draft NTP Comments/Responses (continued)

- Support destination development along Broadway
- Residents should have right to return
- Ensure educational improvements
- More robust services for residents

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED
MERCY
HOSPITAL



VAN METER
WILLIAMS
& POLLACK

Accomplishments in 2015

Neighborhood

- Clean-Up Day/Bi-monthly

Youth Recreational Programs

- 130+ New Slots/Summer Youth (K-6) programs created
- 4+ internships Project Voice participants
- Summer football camp

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED
SERVICES



Accomplishments 2015

Education

- Breakaway Summer Tutoring Program
- School 2 Home Program started
- Student Services Center at Leataata Floyd
 - Resident Services Manager
- Teen Focused community Center
- Parent Leadership Pathways
- School Site Collaboration – 24+ partners

Marina Vista / Alder Grove
Sacramento, CA.

SACRAMENTO



RELATED MERCY
SACRAMENTO



VAN METER
WILLIAMS
POLLACK

Accomplishments in 2016

Health

- Alder Grove Clinic initiated

Housing

- Land Park Woods Renovation

Access

- Car Share Pilot Program at Alder Grove

Next Steps

Next Steps – Administrative

- Community Celebration - November 5
- Submit Final Plan to HUD by November 22, 2015
- Combine Community Advisory Committee & Task Forces
- Review NOFA for CNI Implementation Grant

Next Steps – Housing

- Enter into agreement with Development Team to refine concept plan
- Section 106 process
- Continue to evaluate potential off-site locations

Next Steps

Next Steps – Neighborhood

- Complete planning on
 - Broadway Street Improvements
 - Sacramento Grid 2.0
 - Broadway Bridge
- Participate with Broadway District Strategic Planning

Next Steps – People

- Begin Resident Leadership Academy
- Pursue Community in Schools Model
- Implement Care Share Pilot Program
- Select clinic operator and improve space

Vickie L. Smith

From: Vickie L. Smith
Sent: Wednesday, October 28, 2015 9:08 AM
To: Cathy Creswell; Gale Morgan; Jayne Raab; Matt Johnson; Melvin Griffin; Michael Alcalay; Michael Rios; Noah Painter; Staajabu; Tawny Macedo; Vickie L. Smith
Cc: Kyle Flood; Celia Yniguez; La Shelle Dozier; Tyrone Williams
Subject: FW: To SHRA Commissioners and Chair - Mel Griffin: PLEASE OPPOSE the Alder Grove and Marina Vista redevelopment plan on November 4th

Good morning –

This relates to an item that will be on the agenda for the November 4th meeting. Please contact Kyle Flood if you have any questions. Thanks

Vickie

October 27, 2015

To: SHRA Commissioners and Chair - Mel Griffin

From: Craig Chaffee

PLEASE OPPOSE the Alder Grove and Marina Vista redevelopment plan on November 4th

To begin, my wife and I bought a little middle class house in Upper Land Park (ULP) near the Seavey Circle public housing in 1980. We've both worked hard at our full time jobs since then, raised our family (helping with granddaughter now), help and donate in our community and try to make it better. We're good giving folks who care deeply for the less fortunate. But the City placing 751 units of public housing in this one little community is a major failed public housing policy from the last century. Folks in need deserve a helping hand. But there's too much of Sacramento's public housing crammed in this one little neighborhood. Adding a lot more low-income and high density units in the same small area will only add to the SERIOUS problems our community has already faced for many decades.

Oppose this redevelopment plan to keep most of the existing 751 public housing units crammed in this one little fragile area of Sacramento, and further increase major problems for the fragile ULP community by increasing the overall density of housing to 1200-1500 housing units. Here are some major points why to oppose this plan:

- All most all neighbors in Upper Land Park (ULP) are totally against this big redevelopment plan. If the community where the development doesn't support the plan, you shouldn't either.
- SHRA and the City didn't really want/listen to /include ULP neighbor input during planning. We believe they just had the endless meetings with us so they could "check off that they had community

inclusion" on funding applications, and try to get as much state and federal government funding as possible.

During the 1990s the public housing overconcentration in ULP created the most violent area in all of Sacramento. The great SHRA Director at the time –Betty Turner – honestly told us neighbors working with her on related crime and other major problems in our community that putting so many public housing units (751) in one area was an old failed public housing policy/model. Betty said a very substantial number (e.g., about half) should be *integrated in smaller numbers* into other good Sacramento neighborhoods so public housing folks can actually get the help they need to become more self-sufficient. Many of us long term hard working neighbors stuck it out, knowing (believing) that the excellent policy visions and plans of great leaders like Betty Turner would one day come true for our fragile community. Let's not forget to do the right thing for those in public housing and for the surrounding communities.

Even about 3 years ago, in early community meetings, SHRA provided ULP neighbors with examples of moving about half the units/folks to other good areas of Sacramento. But then funding got tight and they are now just trying to get all the federal CNI and tax credit funding they can-with disregard for us neighbors and the REALLY BAD effects on our community and , really, folks in the public housing. Betty Turner's honestly and great vision for how to integrate public housing throughout Sacramento are being forgotten, or dismissed as too expensive and not doable because other communities cry NIMBY and won't support their fair share. Sacramento politicians and leaders must make this a priority for more local funding and options for locating land and resources. This is a huge issue for all of Sacramento needing major citywide leadership!

ULP neighbors have faced decades of problems including violent crimes as a result of their bad/or lack of real SHRA/City leadership on this issues. ULP should not suffer more decades of such problems, and in fact have the problems increased by adding a total of 1200-1500 housing units with low-income tax credits and CNI funding driving bad decisions. Sacramento can and must do better!

Spending a \$100 million of scarce and precious taxpayer money on this current redevelopment plan would be a major mistake! U.S. Congressional leaders and the Obama administration are close to a crucial budget deal this week. It now looks like CNI funding will be in greatly reduced (e.g., in the ball park of \$150-170 million for the whole country). Last year Sacramento got \$30 million for the other public housing site redevelopment. It's realistic to expect Sacramento will not get anywhere near a \$30 million CNI grant to solve the problems of the overconcentration of public housing in ULP. I, and many other hard working ULP neighbors will communicate our frustrations and STRONG opposition to this plan to leadership in the U.S. congress and White House, if you approve it as is. But we shouldn't need to waste such time and energy. We're counting on you as our local leaders to do the right thing.

Don't support a really bad plan and lose your credibility as our community leaders . Take this opportunity to oppose this really bad plan. Direct Sacramento to push for and build a lot more integrated public housing throughout Sacramento. The ULP community cannot be accused of NIMBY. We, like you, support helping the less fortunate. Other communities and leaders must also step up. Please don't fight against us solid middle class hard working ULP neighbors and our decades long work to improve this fragile ULP neighborhood.

Vote against this REALLY BAD City/SHRA plan. Demand an effective plan that:

Substantially reduces the existing 751 public housing units remaining in ULP. Integrate a substantial number (e.g., about half) in other good Sacramento communities with none/very little.

Leaving 350 to 375 in ULP would leave this community with a huge challenge, but not decades more of insurmountable problems.

· Limits the amount of additional low-income units and increases the number of market rate housing and rental units to create an economically balanced and viable community. Don't support a plan that is focused primarily on trying to maximize low-income tax credits and possible federal public housing redevelopment dollars. *Improving the community and not doing additional harm should be job one.*

· Keeps the total number of housing units (housing density) a lot lower. Don't try building a "bunch of high rise condos on an island of poverty" to try to maximize government funding.

· Makes sure any redevelopment truly helps folks in need, and truly improves the Sacramento communities providing a helping hand, and builds stable and safe places to live, work, and raise our families.