NOTICE OF REGULAR MEETING
Sacramento Housing and Redevelopment Commission
Wednesday, August 15, 2018 – 6:00 pm
801 12th Street, 2nd Floor Commission Room
Sacramento CA

ROLL CALL

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES – August 1, 2018

DISCUSSION/BUSINESS

1. Authorization to Submit a Rental Assistance Demonstration (RAD) Program Application for properties owned by the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento

INFORMATIONAL PRESENTATIONS

2. Status of SHRA Communication Strategy Recommendations

3. Twin Rivers - 12th Street Critical Community Improvements update

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

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

AMERICANS WITH DISABILITIES ACT: Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.
MINUTES
Sacramento Housing and Redevelopment Commission (SHRC)
Meeting of August 1, 2018
Meeting noticed on July 27, 2018

ROLL CALL
The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Macedo

MEMBERS PRESENT:    Alcalay, Creswell, Griffin, Macedo, Morgan, Staajabu, Wedding

MEMBERS ABSENT:      Johnson, Starks (two vacancies)

STAFF PRESENT:    La Shelle Dozier, Asa Standfeldt, Vickie Smith, Lira Goff, Tyrone R. Williams, Sarah O’Daniel, Christine Weichert, Bern Wikhammer, Jim Shields, Sandy Piekarski, Celia Yniguez

APPROVAL OF AGENDA – items # 2 and 3 would be presented together.

CITIZENS COMMENTS
Jeffery Tardaguila provided comments.

Nakisha Barthell provided comments

APPROVAL OF MINUTES – June 6, 2018 minutes were approved as amended.

DISCUSSION/BUSINESS

1. Authorization to Submit State of California's Emergency Solutions Grant (ESG) Program 2018 Application to the State of California Housing and Community Development (HCD) and Amend SHRA Budget
Commissioner Morgan motioned to approve the staff recommendation in the reports. Commissioner Griffin seconded the motion. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Macedo, Morgan, Staajabu, Wedding
NOES: None
ABSENT: Johnson, Starks (two vacancies)
ABSTAIN: None

INFORMATIONAL PRESENTATIONS


Russ Robertson presented the items.

Commissioner Creswell requested additional information about Shasta hotel funding.

4. Twin Rivers Transit Oriented Development and Light Rail Station – Application for National Housing Trust Fund Loan

Bern Wikhammer presented the item.

5. Rental Assistance Demonstration (RAD) Program Overview

La Tanna Jones presented the item.

EXECUTIVE DIRECTOR REPORT

Executive Director La Shelle Dozier made the following announcements:
• Next meeting will be on August 15th
• Upcoming events:
  1. August 3rd – Habitat for Humanity Wall Raising at the Avenues
  2. August 3rd and 10th – SEEK program final project judging

COMMISSION CHAIR REPORT

Chair Macedo announced that the next Executive Committee meeting would be held on August 13th.
ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Creswell requested a report back on the landlord survey and about the Promise Zone Lender’s roundtable.

ADJOURNMENT

As there was no further business to be conducted, Chair Macedo adjourned the meeting at 7:20 pm.

__________________________  Clerk
August 15, 2018

Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT AUTHORIZATION TO SUBMIT A RENTAL ASSISTANCE DEMONSTRATION PROGRAM (RAD) APPLICATION FOR PROPERTIES OWNED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO AND THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

RECOMMENDATION

Staff recommends adoption of the attached resolution(s) which authorize(s) the Executive Director or her designee to submit a Rental Assistance Demonstration Program (RAD) application to convert Housing Authority of the City of Sacramento properties located at 1043 43rd Avenue, Sacramento, CA; and 4921 Folsom Boulevard, Sacramento CA and Housing Authority of the County Properties located at 8223 Walerga Road, Antelope, CA; 4930 El Paraiso Avenue, Sacramento, CA; 4500 Perry Avenue, Sacramento, CA; 9205 Elk Grove Boulevard, Elk Grove, CA; to the RAD program.

CONTACT PERSONS

La Shelle Dozier, Executive Director, (916) 440-1319
LaTanna Jones, Assistant Director, Public Housing (916) 440-1334

SUMMARY

Congress authorized the Rental Assistance Demonstration Program (RAD) in fiscal year 2012 to preserve and improve public housing properties and address a $26 billion nationwide backlog of deferred maintenance. RAD allows housing agencies to convert public housing and other U.S. Department of Housing and Urban Development (HUD)-assisted properties to long-term, project based Section 8 rental assistance units. Converting the properties gives the housing agencies access to private debt and equity to address immediate and long-term capital needs.

RAD has two components. The first component allows the conversion of public housing and moderate rehabilitation properties into long-term, project-based Section 8 rental assistance contracts. The second component allows rent supplement, rental assistance
payment, and moderate rehabilitation properties to convert tenant protection vouchers into project-based assistance at the end of the contract.

Due to the growing backlog of capital improvements and new emphasis of the government administration to eliminate public housing, HUD has implemented an aggressive campaign to urge Public Housing agencies to expedite efforts to convert its public housing inventories. In 2018, HUD increased the RAD CAP to approximately 455,000 units. Based on information provided at the 2018 NAHRO conference, HUD currently has a balance of approximately 100,000 units left in its appropriation. Due to the high demand for conversions, HUD believes that the available units could be spoken for in the next nine months. SHRA staff requests approval to submit an application to convert designated public housing units as soon as possible.

This report requests approval to submit the applications and all required documentation for the conversion of 124 public housing units at the Walerga, Folsom, EL Paraiso, Perry Avenue, Elk Grove and William Land Villa properties. Based on a Physical Needs Assessments conducted in 2017/2018, these properties have a comparatively low amount of immediate capital improvement needs and can be converted easily without a complicated financial strategy.

BACKGROUND

In 2017 and 2018, SHRA commissioned EMG to complete a Physical Needs Assessments (PNA) of its public housing inventory. The assessments revealed that SHRA had approximately $146 million dollars of capital improvements required to sustain its public housing inventory. Since 2010, HUD has provided the Sacramento Housing and Redevelopment Agency (SHRA) approximately $4 million in Capital Improvement Funds annually. The disparity between the need and the funding has created challenges for SHRA to consistently keep pace with the required capital improvements throughout its inventory.

The PNA findings demonstrate that some of SHRA’s properties were in better condition and were therefore more appropriate for conversion. As a result, SHRA reviewed the property assessments and selected six sites at which to initiate the RAD conversion efforts. The selected sites do not need an abundance of capital improvements, are in fair to moderately maintained neighborhoods, and represent a strong mix of senior and family oriented populations. An overview of the six properties and an estimate of their projected 10-year capital improvements needs is included on the following table.
FINANCIAL CONSIDERATIONS

The proposed properties selected for the RAD application have a combined estimate of approximately $4.8 million dollars of capital improvement needs based on a 10-year projection. The immediate needs at the properties will cost approximately $1 million dollars and will cover items such as Americans with Disability Act (ADA) repairs, smoke detector and carbon monoxide detector replacements, and new windows (43rd Street only).

In accordance with RAD policies, SHRA would not be required to make all improvements upfront. SHRA would only have to show that the operating budget could cover requisite improvements in the PNA reserve schedule. With a strategy of covering immediate needs prior to conversion and 31% increases in rents based on projected contract rents that would be assigned to the property after the RAD application approval, SHRA is confident it will be able to satisfy the preliminary conditions of RAD conversion.

POLICY CONSIDERATIONS

SHRA's approach to RAD conversions will be to manage and retain ownership of the properties following conversion. RAD program guidelines require all property owners to either be public agencies or nonprofit entities. SHRA will fully adhere to this requirement. In the event that tax credits are pursued, SHRA will remain in the ownership partnership as a Managing General Partner using one of its nonprofit affiliates.
ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The proposed action is administrative and does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per 14 California Code of Regulations (CCR) section 15378(b). The application for conversion of the properties to the RAD Program does not constitute a project subject to CEQA per 14 CCR section 15378(b). Any maintenance improvements required on these properties are exempt per 14 CCR section 15301.

National Environmental Policy Act: The proposed action is administrative and is exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 Code of Federal Regulations (CFR) section 58.34(a)(3). The conversion of properties to the RAD Program and any maintenance improvements required will be subject to NEPA review, but will likely be categorically excluded. However, NEPA review pursuant to 24 CFR Part 58 will be conducted prior to any such actions.

MWBE AND SECTION 3 CONSIDERATIONS

Minority and Women’s Business Enterprise requirements will be applied to all activities to the extent required by federal funding. Section 3 requirements will be heavily applied as may be applicable. Any vendors working on the properties will be encouraged to work with SHRA and its partners to provide employment opportunities for Section 3 residents and business entities.

Respectfully submitted,

LA SHELLE DOZIER
Executive Director

Attachments

1 - Resolution
RESOLUTION NO. SHRC-_______


ON DATE OF

August 15, 2018

AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE RENTAL ASSISTANCE DEMONSTRATION (RAD) PROGRAM AND EXECUTION OF ALL NECESSARY RELATED DOCUMENTS AND AGREEMENTS

WHEREAS, Congress authorized the Rental Assistance Demonstration (RAD) Program in fiscal year 2012 to preserve and improve public housing properties and address a $26 billion nationwide backlog of deferred maintenance. RAD allows public housing agencies (PHAs) to convert public housing and other U.S. Department of Housing and Urban Development (HUD)-assisted properties to long-term, project based Section 8 rental assistance units. Converting the properties gives the PHAs access to private debt and equity to address immediate and long-term capital needs.

WHEREAS, in response to the RAD Notice of Funding Availability (NOFA), the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento are authorized to submit RAD applications to HUD to convert their public housing portfolio, which will begin with the following properties:

Housing Authority of the City of Sacramento:
• 1043 43rd Avenue, Sacramento, CA; and
• 4921 Folsom Boulevard, Sacramento CA

Housing Authority of the County of Sacramento:
• 4930 El Paraíso Avenue, Sacramento, CA;
• 4500 Perry Avenue, Sacramento, CA;
• 205 Elk Grove Boulevard, Elk Grove, CA; and
• 8223 Waleraga Road, Antelope, CA.

WHEREAS, the proposed action is administrative and does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per 14 California Code of Regulations (CCR) section 15378(b). The application for conversion of the properties to the RAD Program does not constitute a project subject to CEQA per 14 CCR section 15378(b). Any maintenance improvements required on these properties are exempt per 14 CCR section 15301.
WHEREAS, the proposed action is administrative and is exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 Code of Federal Regulations (CFR) section 58.34(a)(3). The conversion of properties to the RAD Program and any maintenance improvements required will be subject to the National Environmental Policy Act (NEPA) review, but will likely be categorically excluded. NEPA review pursuant to 24 CFR Part 58 will be conducted prior to taking any such actions.

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

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

Section 2. The Executive Director or her designee is authorized to enter into and execute any and all documents in the name of the applicant as may be required for submission and approval of RAD Program applications.

__________________________________________
CHAIR

ATTEST:

__________________________________________
CLERK