



NOTICE OF REGULAR MEETING
**Sacramento Housing and
Redevelopment Commission**
TELECONFERENCE MEETING ONLY
Wednesday, September 2, 2020 – 6:00 pm
801 12th Street Commission Room
Sacramento CA

The September 2, 2020 Sacramento Housing and Redevelopment Commission meeting will be broadcast live on YouTube. To view the meeting please visit:

<https://youtu.be/IOjNOTXZFOo>

Members of the public who wish to make comments can do so in two of ways:

1. Email comments to publiccomments@shra.org which will be read into the record by the Clerk during the meeting.
2. Comment by phone, during the meeting by dialing (888) 970-1444. Please call after roll call has ended, if you wish to comment during the 'Citizens Comments' item or at the beginning of the agenda item, for which you wish to give comment.

Please contact the Agency Clerk's office at 916-440-1363, if you have questions about this procedure.

Meetings of the Sacramento Housing and Redevelopment Commission are closed to the public until further notice in compliance with state guidelines on social distancing, in accordance with the Brown Act, (as currently in effect under the State Emergency Services Act), the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020. These measures facilitate participation by members of the Commission, Staff, and the public and allow meetings to be conducted by teleconference, videoconference, or both.

The Sacramento Housing and Redevelopment Agency (SHRA), in compliance with the Americans with Disabilities Act (ADA), requests that individuals who require special accommodations to access and/or participate in SHRA Commission meetings to please contact the office at (916) 440-1363 at least 24 hours before the scheduled meeting to ensure that assistance can be provided if needed.

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. 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. Members of the public wishing to provide comment should either email comments to publiccomments@shra.org or be presented verbally by calling (888) 970-1444.

APPROVAL OF MINUTES – August 19, 2020.

PUBLIC HEARING

1. 2021 Annual Plan for the Housing Authority of the City and County of Sacramento to the Public Housing Agency Annual Plan, Admissions and Continued Occupancy Policy, and Administrative Plan

DISCUSSION/BUSINESS ITEMS

2. Northlake Senior Apartments Tax Equity and Fiscal Responsibility Act Hearing Approval of Tax Exempt Bonds
3. Authorization to Adopt Second Substantial Amendment To The 2020 One-Year Action Plan; Amend The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Adopt Amendment To The Citizen Participation Plan Related To The Coronavirus Aid, Relief, And Economic Security Act (CARES) - City
4. Authorization to Adopt Second Substantial Amendment To The 2020 One-Year Action Plan; Amend The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Adopt Amendment To The Citizen Participation Plan Related To The Coronavirus Aid, Relief, And Economic Security Act (CARES) - County
5. Approval of Homekey Program Application – La Mancha Project

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 online at www.shra.org. If you need assistance with locating reports or would like to request copies contact the Agency Clerk at 916-440-1363.



MINUTES

Sacramento Housing and Redevelopment Commission (SHRC)

Regular Meeting

August 19, 2020

Meeting noticed on August 14, 2020

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:02 p.m. by Chair Morgan. Note that meeting was held via teleconference following the Governor's executive order during the coronavirus pandemic.

MEMBERS PRESENT: Alcalay, Boyd (arrived 6:30pm), Morgan, Osmany, Staajabu, Woo

MEMBERS ABSENT: Griffin Starks, Nunley (two vacancies)

STAFF PRESENT: La Shelle Dozier, Brad Nakano, James Shields, Ahmad Halimi, Vickie Smith, Sarah O'Daniel, Michael Taylor, Christine Weichert, Celia Yniguez, Lira Goff, Merisa Moy

APPROVAL OF AGENDA

The Agenda was approved as submitted, without objection.

CITIZENS COMMENTS

NONE.

APPROVAL OF MINUTES – August 5, 2020 minutes were approved as submitted.

PRESENTATIONS

1. Annual Project Tour (Virtual) for SHRA Commissioners

Celia Yniguez discussed the Nicholas Park Project.

Michael Taylor discussed Berg Street and Arliss Way Welcome Home/PRE Homes.

Christine Weichert discussed the St. Francis Terrace, Village Park, Capitol Park Hotel, Victory Trio and Courtyard Inn Projects.

Sarah O'Daniel discussed the Meadowview Shelter.

EXECUTIVE DIRECTOR'S REPORT

Executive Director La Shelle Dozier reviewed the following:

- Next meeting will be September 2, 2020.
- Mirasol Village Virtual Celebration on Facebook Live on 9/3 at 10:30 am.

COMMISSION CHAIR REPORT

No report.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Staajabu asked for a contact with which to connect a tenant at Marina Vista.

ADJOURNMENT

As there was no further business to be conducted, Chair Morgan adjourned the meeting at 7:05 pm.

Clerk



September 2, 2020

Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT **2021 Annual Plan for the Housing Authority of the City and County of Sacramento to the Public Housing Agency Annual Plan, Admissions and Continued Occupancy Policy, and Administrative Plan – Public Hearing**

RECOMMENDATION

Staff will recommend on October 7, 2020, adoption of the attached resolution(s) which: 1) certifies that the required public hearing has been held and comments have been received and considered, 2) approves the 2021 Public Housing Agency (PHA) Annual Plan (*Plan*), Admissions and Continued Occupancy Policy (*ACOP*), and the *Administrative Plan* for the Housing Choice Voucher (HCV) program for the Housing Authority of the County of Sacramento (HACOS), 3) authorizes the Executive Director or her designee to make non-substantive changes to the *Plan*, *ACOP*, and the *Administrative Plan* based on additional public comments, 4) authorizes the Executive Director or her designee to make changes to the *PHA Plan*, *ACOP*, and *Administrative Plan* as directed by the United States Department of Housing and Urban Development (HUD) or as required for compliance with the Quality Housing and Work Responsibility Act of 1998, 5) certifies that the *Plan* is consistent with the *Consolidated Plan* per 24 Code of Federal Regulations (CFR) §903.15, and 6) authorizes the Executive Director or her designee to execute and submit all required documents for the submission and certification of the 2021 PHA *Plan* to HUD.

CONTACT PERSONS

Karen Wallace, Assistant Director of Housing, 916-449-6228
Cecette Hawkins, RAD Project Manager, 916-449-6218
Sarah O'Daniel, HCV Director, 916-440-1397
Maria Avdalas, Management Analyst, 916-449-6201

SUMMARY

This report recommends approval of the following:

- 2021 Annual PHA Plan (*Plan*) for the City of Sacramento (Attachment 1)
- 2021 Annual PHA Plan (*Plan*) for the County of Sacramento (Attachment 2)
- Administrative Plan for the Housing Choice Voucher program (Attachment 3) for the Housing Authority of the City and County of Sacramento,

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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- Public Housing Admissions and Continued Occupancy Policy (*ACOP*) for the Housing Authority of the City of Sacramento (Attachment 4)
- Public Housing Admission and Continued Occupancy Policy (*ACOP*) for the Housing Authority of the County of Sacramento (Attachment 5)
- Capital Fund Program Five-Year Action Plan for the Housing Authority of the County of Sacramento (Attachment 6)
- Capital Fund Program Five-Year Action Plan for the Housing Authority of the City of Sacramento (Attachment 7)
- 2021 Proposed Changes 2021 Public Housing Authority Plan (Attachment 8)

BACKGROUND

Applicable federal law and HUD regulations require that each Housing Authority develop and adopt a Five-Year PHA *Plan* and update it on an annual basis. The *PHA Annual Plan* provides detail about Housing Authority programs, services, and general policies.

HUD regulations require a public outreach process including a 45-day public comment period when there are significant changes made to the *Plan*, *ACOP*, and/or the *Administrative Plan*. Notices were published in local English language and non-English language newspapers providing the location of the draft documents available for review. Notices and documents were also posted on the Agency's website at www.shra.org for review.

After the public comment review period and upon approval by the Commission, final changes will be made and the documents will be submitted to HUD for review and approval. HUD has 75 days to issue a notification of approval or denial of the revised *Plan*. Once the *Plan* is approved, staff can implement changes immediately.

Staff updated the 2021 *ACOP* to propose significant changes which are detailed below, including:

- Defining pay stub verification requirements.
- Clarifying the form created and used when changes in rent occur.
- Establishing a new lease requirement when notified of a change in household composition.
- Requiring that Reasonable Accommodation re-evaluations have third-party verification.
- Requiring that vehicles parked at Housing Authority properties be registered in the resident's name.
- Requiring that proof of vehicle insurance include the resident's address.

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There are no significant changes to the 2021 Housing Choice Voucher Administrative Plan.

Information on all significant changes can be found in the attached Proposed Changes to the 2021 Public Housing Authority Plan (Attachment 8).

FINANCIAL CONSIDERATIONS

The recommended action before the Commission requires no additional funding considerations.

POLICY CONSIDERATIONS

The Housing Authority complies with applicable federal laws and regulations, including the *Quality Housing and Work Responsibility Act of 1998 (QHWRA)*.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The recommended actions are considered administrative and therefore determined not to be a project subject to provisions of CEQA pursuant to 14 California Code of Regulations (CCR) §15378(b).

National Environmental Policy Act (NEPA): The recommended actions are considered administrative and planning activities are therefore determined to be Exempt from NEPA pursuant to 24 CFR §58.34(a)(1) and (3).

M/WBE AND SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest extent possible and as required by federal funding and in accordance with the Agency's Section 3 Economic Opportunity Plan.

Respectfully submitted,


LA SHELLÉ DOZIER
Executive Director

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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Attachments

- Attachment 1 - 2021 PHA Annual Plan – City
- Attachment 2 - 2021 PHA Annual Plan – County
- Attachment 3 - 2021 Administrative Plan for the Housing Choice Voucher Program
- Attachment 4 – 2021 ACOP – City
- Attachment 5 – 2021 ACOP – County
- Attachment 6 – Capital Fund Program Five-Year Plan – County
- Attachment 7 – Capital Fund Program Five-Year Plan - City
- Attachment 8 - 2021 Proposed Changes 2021 Public Housing Authority Plan
- Attachment 9 – Public Comments
- Attachment 10 - SHRA Responses to Public Comments
- Attachment 11 - SHRC Resolution

Attachments 1-7 are on file with the Agency Clerk and available at www.shra.org

Attachment 8 is included in this Staff Report

Attachments 9-11 will be included with the Staff Report on October 7, 2020

PROPOSED CHANGES

2021 Public Housing Authority Plan (ACOP and Administrative Plans)

The Public Housing Authority (PHA) must define any significant changes to its policies or plans. The PHA defines a “substantial deviation” and “significant amendment/modification” as any change in policy which significantly and substantially alters the Authority’s mission and the persons the Authority serves. The proposed changes below have not been deemed “significant”.

New language is indicated in red. Deleted language is shown as ~~strikeout~~.

There is one proposed change to the 2021 PHA plan which may have been deemed “significant”. There are 5 changes in the ACOP and zero changes in the Administrative Plan.

ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP)

1. Chapter 7 – Verification Procedures

ACCEPTABLE PARTICIPANT-PROVIDED DOCUMENTS (Page 7-5)

In the event that third party written or oral verification is unavailable or after the PHA has made two documented unsuccessful attempts (one may be written and one oral) the PHA may review the original (authentic) documents provided by the participant. All original documents should be dated within the last 60 days of the interview. The PHA will make a photocopy of the original documents and maintain the copy in the participant files. The PHA will document the receipt, copy, and review of the original (authentic) documents in the tenant files. Below are examples of acceptable participant-provided documents:

- Original pay stubs for the last two (2) consecutive pay periods **or the equivalent of 30 days**

Explanation of Change:

- Self-explanatory

2. Chapter 11 – Recertifications

B. Annual Recertifications

CHANGES IN THE RESIDENT RENT (PAGE 11-5)

If there is any change in rent, ~~the lease will be amended, or a new lease will be executed, or a Notice of Rent Adjustment will be issued.~~

C. Reporting Interim Changes (Page 11-7)

HOUSEHOLD COMPOSITION

Once the 50058 reflecting the changes in the household composition is completed and approved, a new Lease Agreement will be generated that reflects the new household composition, if a new family member is added.

Explanation of Change:

- Self-explanatory

3. Chapter 19: Program Integrity Addendum

G. Conclusion of the PHA's Investigative Review (Page 19-5)

At the conclusion of the investigative review, the reviewer will report the findings to **Management** ~~the site manager or program manager~~. It will then be determined whether a violation has occurred, a violation has not occurred, or that the facts were inconclusive.

Explanation of Change:

- Self-explanatory

4. Chapter 20: Reasonable Accommodation Policy and Procedures

C. Procedure for Processing Requests for Reasonable Accommodation for Individuals with Disabilities

Informal Reasonable Accommodation Requests (Page 20-4)

Annual approvals for informal requests for reasonable accommodations will not be required during subsequent re-certifications. However, the PHA retains the right to re-evaluate the need for the requested accommodation at any time. If **re-evaluation is needed, management** will then require third-party verification in order to verify the need for the requested accommodation.

- Quadriplegics requesting a front door ramp, wider doorways, grab bars, and reduced-height, or cut-out kitchen cabinetry. The resident's self-certification and ~~the site manager's~~ **management's** observations are sufficient to informally grant the reasonable accommodation request when there is a

nexus between the observed disability and the requested reasonable accommodation.

Explanation of Changes:

- Self-explanatory

5. Chapter 21: Parking Policy

A. For Communities with Open Parking (Page 21-1)

1. All vehicles parked on the property must be operational, and currently registered with the state of California Department of Motor Vehicles (DMV) in the resident's name.
5. Minor vehicle repairs such as replacing tires, windshield wipers, batteries and light bulbs **WILL BE** allowed on the property. All other repairs **WILL NOT BE** permitted.

B. For Communities with Permit Parking (Page 21-2)

5. The resident who is the registered owner of a vehicle must have **and** maintain a valid California driver's license at all times. Per California state law, proof of insurance must be provided at the resident's address.

Explanation of Changes:

- Self-explanatory

Administrative Plan 2021
No Proposed Changes.



September 2, 2020

**Sacramento Housing and
Redevelopment Commission
Sacramento, CA**

Honorable Members in Session:

SUBJECT:

**Northlake Senior Apartments Tax Equity and Fiscal Responsibility Act Hearing
Approval of Tax Exempt Bonds**

RECOMMENDATION:

Staff is presenting this information to the Commission for review, prior to final review by the Sacramento City Council and Housing Authority of the City of Sacramento.

Respectfully Submitted


LA SHELLE DOZIER
Executive Director

Attachment



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

**Public Hearing
September 22, 2020**

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

**Title: Northlake Senior Apartments Tax Equity and Fiscal Responsibility Act
Hearing Approval of Tax Exempt Bonds**

Location/Council District: NW Corner of CA-99 and I-5, District 1

Recommendation: Conduct a public hearing and upon conclusion adopt 1) a City Council Resolution indicating the City Council has conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing related to the proposed construction and financing of the Northlake Senior Apartments and approving the issuance of tax-exempt bonds by the Housing Authority; 2) a Housing Authority Resolution a) indicating the intention of the Housing Authority of the City of Sacramento to issue up to \$30,000,000 in tax-exempt mortgage revenue bonds to provide acquisition, construction and permanent financing for the Project, b) authorizing an application to the California Debt Limit Allocation Committee (CDLAC) for allocation authority to issue bonds, and c) authorizing the Executive Director, or designee, to execute necessary documents associated with the transaction.

Contact: Christine Weichert, Assistant Director (916) 440-1353; Tyrone Roderick Williams, Deputy Executive Director, (916) 440-1316, Sacramento Housing and Redevelopment Agency

Presenters: Jaylin McQuillon, Housing Finance Analyst, (916) 440-1353, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency (SHRA)

Description/Analysis

Issue Detail: Northlake Senior Apartments is a new construction affordable senior housing development located on 7.54 vacant acres in the Greenbriar Subdivision near Elkhorn Boulevard and State Highway 99. A vicinity map is included as Attachment 2.

St. Anton Communities, LLC (Developer) has applied to SHRA for the issuance of up to \$30,000,000 in tax exempt mortgage revenue bonds that will be privately placed with Citibank N.A. The project is anticipated to be funded with four percent Low Income Housing Tax Credits (LITHC's), a deferred developer fee, a general partner capital contribution, and a conventional loan.

Description of Development: St. Anton Communities, LLC proposes to develop Northlake Senior Apartments, a new construction affordable senior housing development. The development will have 155 one-bedroom units and 36 two-bedroom units as well as a 3,350 sq. ft. community room. The project will consist of six one-story and 10 two-story buildings of five different types as well as one single-story community building. The residential buildings will be wood framed construction with stucco exteriors and concrete tile roofs. The exteriors include varying fenestration accented with extensive trim and multi-color painting scheme. Each apartment will contain wall to wall carpeting, central heating and air, and energy efficient appliances. Details of the scope of development are included as Attachment 6.

The community building will be orientated around a centralized open space for outdoor activities. The feature amenities will be an exterior swimming pool with a landscaped patio and picnic area as well as various open spaces with flexible functionality. The remaining open space areas will have lush landscaping and tree planting.

Mixed Income Housing Ordinance compliance: The Mixed Income Housing Ordinance, adopted by the City Council in 2015, requires large subdivisions such as Greenbriar to provide housing for a variety of incomes and family types. On May 30, 2017, Council adopted the Mixed Income Housing Strategy for Greenbriar, an approximately 577-gross acre site in the North Natomas neighborhood generally located northwest of the intersection of State Route 99 and Interstate 5. Greenbriar is a master planned area that will be a transit oriented, mixed-use community with residential, commercial, recreational parks, lakes, open space and public land used incorporating a light rail station along the planned Downtown-Natomas-Airport line.

To meet the Mixed Income Housing Ordinance obligation for the single family homes, the developer proposes to receive fee credits by building the 191-unit affordable North Lake Senior development which includes two exempt management units.

Resident Services: Resident Services will be offered by Pacific Housing, Inc. who will provide a minimum of 15 hours of on-site resident services per week. These services will consist of four hours where a resident services coordinator is on-site and 11 hours of services tailored to seniors. Specific programs will be determined after a resident needs assessment is completed.

Property Management: The Project will be managed by St. Anton Multifamily, Inc, a property management company with staff experienced in operating affordable apartment communities. SHRA staff, has reviewed and approved the management plan including daily operations, leasing procedures, maintenance, and eviction procedures and has ensured that the company meets SHRA's requirements for property management. St. Anton Multifamily, Inc. has 21 affordable properties in their portfolio.

Low-Income Set-Aside Requirements: As a condition of receiving tax credits and the benefits of tax-exempt bond financing, federal law requires that a number of apartments be set-aside for targeted income groups. Income restrictions from Low-Income Housing Tax Credit (LIHTC) financing require that no households have income higher than 60 percent of the Area Median Income (AMI). SHRA further requires that 15 percent of the units be restricted to households with income no greater than 50 percent AMI. Maximum rent and income limits can be found in Attachment 5. Project affordability restrictions will be specified in regulatory agreements with the Developer. The anticipated sources and their affordability requirements are summarized in the following table:

Northlake Senior Apartments

Unit Type	Units	% of Units	Affordability Restriction (55 years)
4% LIHTC, State Tax Credits, Tax-exempt Bonds	58	30%	Low Income 50% of Area Median Income (AMI)
4% LIHTC, State Tax Credits, Tax-exempt Bonds	131	69%	Low Income 60% of AMI
Management Unit	2	1%	Exempt Management Units
Total	191	100%	

Policy Considerations: The recommended actions are consistent with a) SHRA’s approved Multifamily Lending and Mortgage Revenue Bond Policies; b) the 2013-2021 Housing Element, encourages the development of senior housing, particularly in neighborhoods that are accessible to public transit, commercial services, and health and community facilities (Resolution No. 2013-415.). Additionally, on May 30, 2017, the City of Sacramento approved the Mixed Income Housing Strategy as part of the Development Agreement. Regulatory restrictions on the property will be specified in regulatory agreements between the Developer and the Housing Authority for a period of 55 years for the mortgage revenue bond assisted units. Compliance with the regulatory agreements will be monitored by SHRA on an annual basis. All units will be regulated for a period of 55 years as a Low Income Housing Tax Credit funding requirement.

Economic Impacts: This multifamily residential project is expected to create an estimated 273.37 total jobs (153.47 direct jobs and 119.90 jobs through indirect and induced activities) and create an estimated \$23,979,988 in total economic output (\$14,737,094 of direct output and another \$9,242,894 of output through indirect and induced activities). *The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year*

period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

Environmental Considerations: California Environmental Quality Act (CEQA): The Project previously underwent environmental review as part of the Greenbriar Development Project which was approved by the Sacramento City Council in 2008 when a program-level Environmental Impact Report (EIR) was certified. An addendum to the EIR was adopted in 2017 to allow for project-level implementation of the Greenbriar Project. Therefore, the St. Anton project is exempt from environmental review under CEQA pursuant to CEQA Guidelines Section 15182, Projects Pursuant to a Specific Plan.

Sustainability Considerations: The proposed project has been reviewed for consistency with the goals, policies and targets of the Sustainability Master Plan and the 2030 General Plan. If approved, these projects will advance the following goal, policy and target of goal number one – Energy Independence, specifically by reducing the use of fossil fuels and providing long-term affordable and reliable energy.

Commission Action: Sacramento Housing and Redevelopment Commission: At its September 2, 2020 meeting, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: The actions recommended in this report enable SHRA to continue to fulfill its mission to provide a range of affordable housing opportunities in the City and are consistent with the SHRA's approved Multifamily Lending and Mortgage Revenue Bond Policies, the City of Sacramento's 2013-2021 Housing Element, and the Ordinance No. 2017-040 adopting the Mixed Income Housing Strategy as part of the Development Agreement.

Financial Considerations: SHRA will receive a one-time issuance fee of 0.25 percent of the bond amount, which is payable at bond closing; and annual payment for monitoring the regulatory restrictions and administration of the bonds of 0.125 percent of the bond amount or an amount not to exceed \$25,000 for the term of 55 years. The Developer will be responsible for payment of all costs, fees, and deposits relating to the bond application. Mortgage revenue bonds do not represent a financial obligation of SHRA, Housing Authority, or City of Sacramento. The law firm Orrick, Herrington and Sutcliffe, LLP, is acting as bond counsel for the Housing Authority.

LBE - M/WBE and Section 3 requirements: Minority and Women's Business Enterprise requirements and Section 3 will be applied to all activities to the greatest

September 22, 2020

extent possible and as required by federal funding and in accordance with SHRA's Section 3 Economic Opportunity Plan. The Developer and General Contractor will work with SHRA's Section 3 Coordinator, Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities.

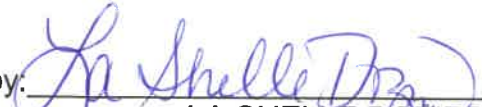
Respectfully Submitted by: _____
LA SHELLIE DOZIER
Executive Director

Attachments

- 1-Description/Analysis
- 2-Vicinity Map
- 3-Residential Project Summary
- 4-Cash Flow Proforma
- 5-Maximum Income and Rent Limits
- 6-Scope of Development
- 7-City Council Resolution – TEFRA Hearing
- 8-Housing Authority Resolution – Tax Exempt Bonds

extent possible and as required by federal funding and in accordance with SHRA's Section 3 Economic Opportunity Plan. The Developer and General Contractor will work with SHRA's Section 3 Coordinator, Sacramento Employment and Training Agency, the Greater Sacramento Urban League or similar programs, to promote employment opportunities.

Respectfully Submitted by:



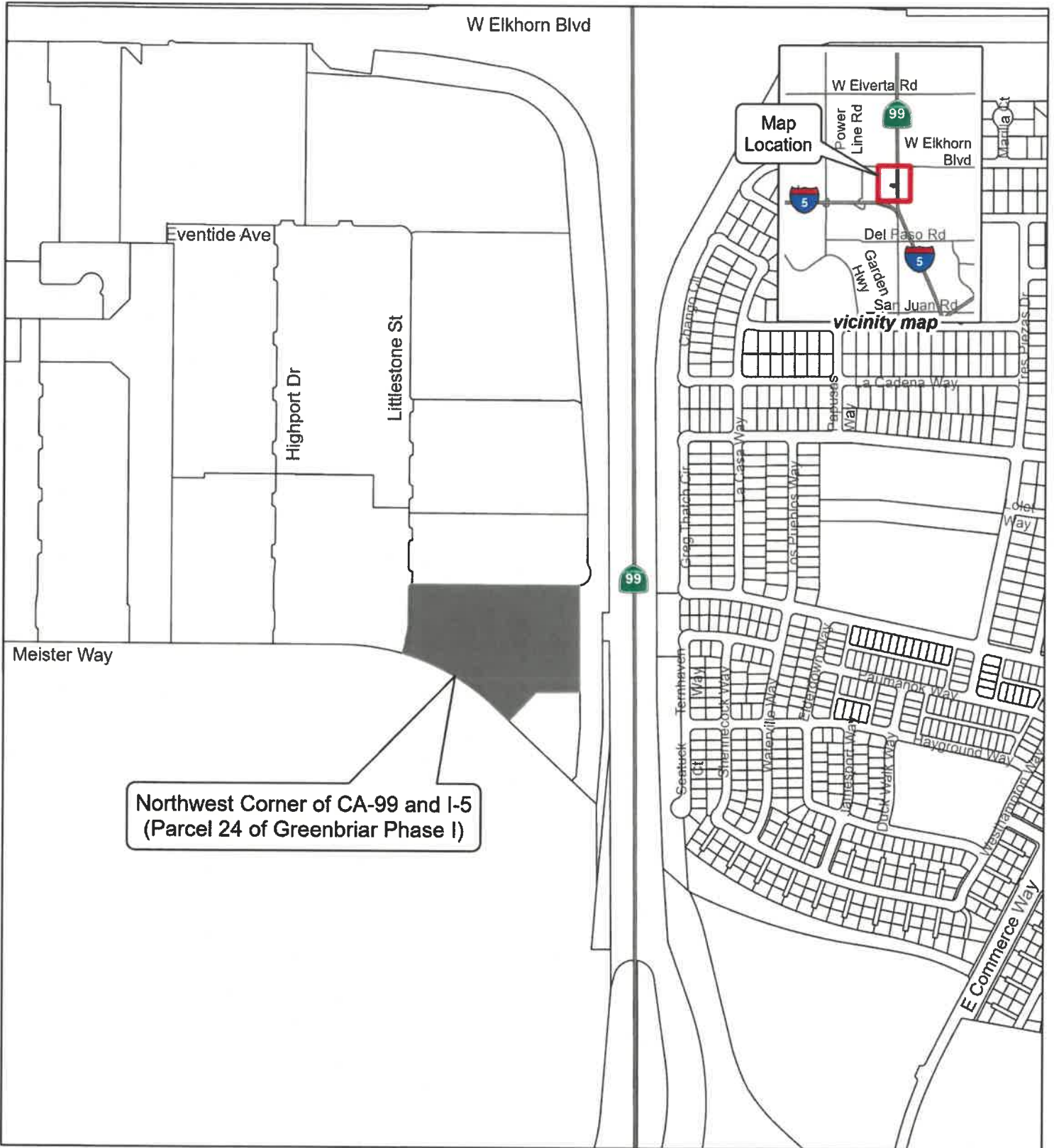
LA SHELLE DOZIER
Executive Director

Attachments

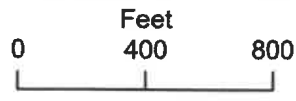
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Northlake Senior Apartments



 Northlake Senior Apartments



SHRA GIS
August 12, 2020

Northlake Senior Apartments Residential Project Summary

Address	NW Corner of CA-99 and I-5 (Parcel 24 of Greenbriar Phase I)		
Number of Units	191		
Year Built	New Construction		
Acreage	7.54 acres (328,442 sq. ft.)		
Unit Mix and Rents	<u>LI 50% AMI</u>	<u>LI 60% AMI</u>	<u>Total</u>
1 Bedroom/1 Bath	47	107	154
2 Bedroom/2 Bath	11	24	35
Management Unit (1 Bedroom exempt)	0	0	1
Management Unit (2 Bedroom exempt)	0	0	1
Total Units	58	131	191
Square Footage	<u>Unit Size (sq.ft.)</u>	<u>Total</u>	
1 Bedroom/1 Bath	595	91,630	sq.ft.
2 Bedroom/2 Bath	885	30,975	sq.ft.
Management Unit (1 Bedroom exempt)	595	595	sq.ft.
Management Unit (2 Bedroom exempt)	885	885	sq.ft.
Community Area		3,350	sq.ft.
Total Gross		127,435	sq.ft.
Resident Facilities	Community room with fitness center, kitchen, restrooms, laundry room, computer/business center, bicycle storage, and vehicle parking		
Permanent Sources	<u>Total</u>	<u>Per Unit</u>	<u>Per Square Foot</u>
Permanent Loan	\$ 19,760,000	\$ 103,455	\$ 155.06
Tax Credit Equity	\$ 13,955,958	\$ 73,068	\$ 109.51
MGP Loan	\$ 2,000,000	\$ 10,471	\$ 15.69
Net Operating Income	\$ 282,562	\$ 1,479	\$ 2.22
Deferred Interest on Other Loans	\$ 140,000	\$ 733	\$ 1.10
Deferred Developer Fee	\$ 1,333,592	\$ 6,982	\$ 10.46
TOTAL SOURCES	\$ 37,472,112	\$ 196,189	\$ 294.05
Permanent Uses			
Acquisition	\$ 500,001	\$ 2,618	\$ 3.92
Construction Costs	\$ 23,979,988	\$ 125,550	\$ 188.17
Architecture & Engineering	\$ 476,195	\$ 2,493	\$ 3.74
Permits	\$ 4,011,000	\$ 21,000	\$ 31.47
Hard Cost Contingency	\$ 1,098,999	\$ 5,754	\$ 8.62
Soft Cost Contingency	\$ 238,271	\$ 1,247	\$ 1.87
Financing Cost	\$ 2,236,973	\$ 11,712	\$ 17.55
Operating Reserves	\$ 440,890	\$ 2,308	\$ 3.46
Legal Fees	\$ 120,000	\$ 628	\$ 0.94
Developer Fee	\$ 3,500,000	\$ 18,325	\$ 27.46
Third Party Fees, Marketing, Other	\$ 869,795	\$ 4,554	\$ 6.83
TOTAL USES	\$ 37,472,112	\$ 196,189	\$ 294.05
Management / Operations			
Proposed Developer	St. Anton Communities, LLC		
Property Management Company	St. Anton Multifamily, INC.		
Operating Expenses	638,534	3,343	
Property Management	60,911	319	
Resident Services	40,526	212	
Security Services	15,197	80	
Replacement Reserves	47,750	250	
Taxes and Insurance	24,963	131	

Northlake Senior Apartments
MAXIMUM INCOME AND RENT LIMITS 2020
Rents at 50% and 60% of Area Median Income (AMI)
Low Income Housing Tax Credits and Mortgage Revenue Bonds

Maximum Gross Income Limits

Family Size	50% AMI	60% AMI
1 person	\$ 30,250	\$ 36,300
2 person	\$ 34,550	\$ 41,460
3 person	\$ 38,850	\$ 46,620
4 person	\$ 43,150	\$ 51,780
5 person	\$ 46,650	\$ 55,980

Maximum Gross Rent Limits

Unit Size	50% AMI	60% AMI
1 Bedroom	\$ 810	\$ 972
2 Bedroom	\$ 971	\$ 1,165

Scope of Development

Northlake Senior Apartments is a new construction development on approximately 7.54 net acres located within the Greenbriar project which is a master-planned community located at northwest intersection of Interstate 5 and Highway 99 to the northwest of the North Natomas Community Plan area in the City of Sacramento (Project). The development consists of 191 units comprised of 155 one-bedroom with one-bathroom and 36 two-bedroom with two-bathroom units. Inclusive of this unit mix, one one-bedroom and one two-bedroom unit will be exempt for management staff. The common areas and amenities include a community room with full kitchen, business center, central laundry facility, on-site parking, picnic and barbeque area, and swimming pool.

All work shall comply with Federal and State Americans with Disability Act (ADA) accessibility requirements, as well as any other requirements stipulated by the funding sources. When there are differences, the stricter shall prevail. The Borrower is responsible for notifying their architect and/or engineer of all funding sources used on the Project. The architect and/or engineer must indicate these funding requirements in the Project's plans/scope of work.

I. Mitigation Monitoring Plan:

Mitigation Monitoring and Reporting Program for Greenbriar Development Project
Prepared for: City of Sacramento Environmental Planning Services and Sacramento Local Agency
Formation Commission by EDAW dated September 6, 2007.

II. Building Exteriors:

1. **Asphalt Pavements:** The development will include approximately 218 onsite covered and uncovered surface parking spaces. The parking lot and drive aisles will include approximately four pedestrian crosswalks.
2. **Balconies and Patios:** All ground floor apartments will have patios and all upper floor apartments will have balconies.
3. **Site Lighting:** The site will be lit with Title 24 compliant wall packs, pole lights and other luminaires for all parking and outside public spaces, and will be of LED or similarly energy efficient type.
4. **Non-Smoking:** The Project is 100% non-smoking.
5. **Landscaping and Courtyard:** Landscaping will be designed with drought tolerant plants and trees. Trees will be planted throughout the parking lot to meet City shading requirements. A variety of usable open spaces are provided in the Project. All landscaped areas will be served by a programmable automated irrigation system. The irrigation controller shall be a "Smart Controller" that senses rain to reduce water use. Irrigation shall be designed to use bubblers and other saving measures. Irrigation must not spray on building. Sprinklers should minimize overspray that runs to storm drain drop outlets. The landscape plan must be approved by SHRA and applied.
6. **Picnic Area:** Barbeque and seating areas will be provided.
7. **Swimming Pool:** The swimming pool will be fenced with a self-closing gate. The pool and surroundings meet all applicable current codes and standards.
8. **Community Garden:** The Borrower is currently evaluating if inclusion of a community garden would benefit project's targeted demographic group.

9. **Exercise Path:** A continuous network of internal sidewalks create a suitable path for exercising and taking walks around the community.
10. **Mailboxes:** New mailboxes will be installed in a centralized and accessible location.
11. **Site Fencing:** The auto entry gate for the site is located midblock on the northern property line and serves as the main entry to the community. Residents and employees of the complex will have remote access to open the gate and park inside. There is a turn-around space outside the gate as a pull in lane for rideshare and other drop-offs as well as a few parking spaces for prospective tenant parking. Perimeter site fencing is currently proposed to be metal view fencing (subject to change during design review).
12. **Stormwater:** The development will meet storm water requirements through use of a combination of stormwater treatment techniques.
13. **Roof:** Buildings are planned with composition shingle tile pitched roofs.
14. **Siding:** The building skin will be painted stucco.
15. **Offsite Improvements:** Public offsite improvements consist of street frontage improvements along all sides of the project site, including new sidewalks, curbs, gutters, landscaping, and lighting.

III. Building Interiors

1. **Americans with Disabilities Act (ADA) Units:** The number of ADA units will be in compliance with CBC and TCAC requirements. 20 units will have mobility features and 8 units will have communication features.
2. **Non-Smoking:** The Project will have 100% non-smoking units.
3. **Smoke Detectors:** All units, offices and interior common areas will have a smoke/carbon monoxide detector installed in accordance with current code requirements.
4. **Appliances:** All apartment kitchens will have brand new Energy Star rated appliances including, refrigerator with freezer combination, electric stove and range, dishwasher, and garbage disposal.
5. **Bathtubs and Toilets:** All apartments will have a bathtub or shower. Restrooms will have water efficient toilet and fixtures, and bath accessories.
6. **Doors (Interior, Exterior and Sliding Glass):** All interior and exterior doors will have matching hardware finishes and will meet current egress standards.
7. **Cabinets, Counters and Sinks:** All apartment kitchens will have designer cabinets, solid surface countertops, and stainless-steel sinks. All apartment bathrooms will have solid surface top vanities with integral sink.
8. **Ceilings and Walls:** Code compliant paint will be used in building interiors.
9. **Windows:** All apartments will have energy efficient vinyl dual pane windows. Windows designed to open will have screens. All windows will meet current egress standards.
10. **Blinds:** Vertical blinds will be provided in all apartment windows and sliding glass doors.
11. **Electrical and Lighting:** All apartments will have high efficiency lighting, ceiling fans, exhaust fans vented to the exterior and bathroom humidistat fans. Any exterior mounted electrical,

mechanical and plumbing systems will be protected from vandalism. Wiring from telephone/data/cable suppliers will be installed within walls, attic spaces, and/or crawl spaces. Conduits are not allowed to be mounted on the exterior of the buildings.

12. **Flooring:** All wet areas will have vinyl sheet flooring and the rest of the units will have carpet flooring.
13. **Plumbing Fixtures:** All apartments will have new water efficient plumbing fixtures.
14. **HVAC Systems:** Each apartment will have its own split system air conditioning and forced air heat with its own thermostat.
15. **Plumbing System:** Each unit will have individual boilers.

IV. Community Amenities

1. **Management Office and Lobby:** The furnished management office and lobby will have LVP flooring, energy efficient lighting, and HVAC systems.
2. **Ceilings and Walls:** Code compliant paint will be used in all building interiors.
3. **Community Restrooms:** The community restrooms in the community room will be ADA compliant, have low-flow bathroom fixtures, sink, solid surface countertop, and bathroom accessories.
4. **Community Building:** The community room, business center, fitness center, and laundry room will have hard flooring, energy efficient lighting, all furnishings, and HVAC systems. The community building will be 3,350 square feet. These spaces will be ADA compliant.
5. **Community Room Kitchen:** The community room kitchen will be ADA compliant and include construction cabinets with solid hardwood faces, solid surface countertop, and hard flooring. New Energy Star rated appliances (refrigerator, electric stove, electric oven, microwave, garbage disposal and dishwasher), energy efficient lighting, HVAC system and water efficient plumbing fixtures will be installed.
6. **Elevator:** No elevator.
7. **Hallways and Stairs:** Stairs will be of durable flooring.
8. **Laundry Facility:** There will be an on-site laundry facility which must comply with SHRA Rental Property Minimum Construction Standards or plan approval from SHRA that will include the sufficient number of washer and dryers and ADA laundry machines.
9. **Signage:** A comprehensive signage package will be implemented throughout the development including all common area signage, unit ID, wayfinding, code, fire, life and safety signage.
10. **Trash Room:** No trash room. Refer to trash enclosure details.
11. **Recycle:** Recycling bins will be provided per City code requirements.
12. **Bicycle parking:** Bicycle parking will be provided in the amount required by applicable codes.

13. **Security Cameras:** there will be interior and exterior security cameras; the equipment will record events for primary ingress/egress points to and from the site, parking lots and indoor and outdoor common areas where people will be congregating.
14. **Windows:** Community building will have energy efficient vinyl dual pane windows. Windows designed to open will have screens.
15. **Blinds:** Vertical blinds will be provided in all community building windows and sliding glass doors.
16. **Electrical and Lighting:** Community building will have high efficiency lighting, ceiling fans, exhaust fans vented to the exterior and bathroom humidistat fans. Central air conditioning and forced air heat will be provided. Any exterior mounted electrical, mechanical and plumbing systems will be protected from vandalism. Wiring from telephone/data/cable suppliers will be installed within walls, attic spaces, and/or crawl spaces. Conduits are not allowed to be mounted on the exterior of the buildings.

RENTAL PROPERTY MINIMUM CONSTRUCTION STANDARDS

The following is a list of the required minimum construction standards that must be incorporated into projects participating in SHRA's Multifamily Financing and/or Mortgage Revenue Bond programs. All rental units and sites associated with these projects must meet or exceed these standards. Exceptions to these standards may be made for properties subject to U.S. Department of Housing and Urban Development replacement reserve requirements that allow for renovation over time rather than at recapitalization (e.g., Rental Assistance Demonstration conversions for conventional public housing).

Note: For rehabilitation projects, all of the following standards shall apply. The non-rehabilitation sections below shall apply to new construction projects.

Useful Life Expectancy – Rehabilitation only

SHRA shall reference the current edition of FannieMae's "Instructions for Performing a Multifamily Property Condition Assessment, Appendix F. Estimated Useful Life Tables" in determining the useful life for all building components and systems located within the project. A remaining useful life of 15 years or more is required for all building components and systems located within the approved complex. All items on the FannieMae tables with useful lives indicated to be less than 15 years shall be replaced.

General Requirements

- A. All materials funded under this loan must be new unless previously approved. Recycled items must be approved in writing by SHRA prior to their use.
- B. All work shall comply with Federal and State ADA accessibility requirements, as well as any other requirements stipulated by the funding source(s). When there are differences the stricter of the two shall apply. The developer is responsible for notifying their architect and/or engineer of all funding sources used on the project. The architect and/or engineer must indicate these funding requirements in the project's plans/scope.
- C. All units shall be approved for occupancy by the local Building Department or any other Agency Having Jurisdiction (AHJ) at the conclusion of the work and prior to occupancy.
- D. Web-based security cameras and the equipment to record events are required for primary ingress/egress points to and from the site and for the principal parking and indoor and outdoor common areas where people will be congregating.
- E. Site lighting is required for all parking and outside public spaces, and shall be of LED or similarly energy efficient type. The lenses on the exterior lights shall be cleaned with all oxidation removed or replaced. Light poles shall be new or painted, and shall be structurally sound and stable.
- F. The developer's architect is responsible for providing an Operating Procedure Outline Sheet (OPOS) for window washing systems where applicable, per Cal-OSHA requirements.
- G. SHRA encourages the use of energy and water-efficient systems wherever they may be incorporated into the project.

General Requirements – Rehabilitation only

- A. Any component of the project which does or may present a health or safety hazard to the public or tenants shall be corrected to the satisfaction of the local Building Department or AHJ.
- B. A clear pest inspection report will be required at the conclusion of the construction work for rehabilitation projects.

- C. For all structures where disturbance of any hazardous materials (e.g. lead, asbestos, mold, etc.) will occur, a clearance report from an environmental consultant is required.
- D. Projects deemed historically significant landmark by either the City of Sacramento or the National Register of Historic Places shall consult with the State Historic Preservation Officer (SHPO), and shall conform to the Secretary of the Interior Standards for the Treatment of Historic Properties.

Site Work

- A. Trees and large shrubs must be trimmed, grass areas must be mowed, and all planter areas must be weed-free. The landscape design shall incorporate a sustainable design appropriate for the Sacramento Valley. Vegetation that assists in minimizing crime and enhances public safety is preferred. Trees compromising building envelope materials (roofing, siding, windows, etc.) and/or structural integrity (including foundations) must be removed. An arborist shall be consulted for an opinion on trees prior to major branch trimming, root cutting or tree removal. All trees, bushes and other plants that are to be removed shall have the root ball removed by grinding or by mechanical means. A landscape plan describing the above must be provided to SHRA for approval.
- B. All landscaped areas must be served by a programmable automated irrigation system. The irrigation controller shall be a "Smart Controller" that senses rain to reduce water use. Irrigation shall be designed to use bubblers and other water saving measures. Irrigation must not spray on building. Sprinklers should minimize overspray that runs to storm drain drop inlets. Areas that show evidence of erosion of soil shall be landscaped to eliminate problems. The landscape plan must be approved by SHRA and applied.
- C. For gated communities containing swinging vehicle gates, driveways shall be striped to show the area under the gate swings for safety purposes.
- D. All projects shall contain trash enclosures with concrete aprons. Trash enclosures shall be made of cinder block or stucco. Trash enclosures shall be accessible to all tenants. Provisions for tenants with disabilities must be addressed in the project Scope of Development or the project plans.
- E. All projects shall meet the parking requirements of the local Agency Having Jurisdiction (AHJ) over the project. "Grandfathered Projects" will need to show that they are in fact "Grandfathered" or otherwise exempted by the local AHJ. Otherwise, all projects shall meet the governing ADA requirements for parking.
- F. A two percent (2%) slope shall be maintained for a distance of five feet from all structures and no standing water shall remain on the site. Provide an on- site drainage system if necessary.
- G. Stairways in common areas must include closed risers and non-slip concrete finish or other slip-resistant material on the treads.
- H. Exterior mounted electrical, mechanical, and plumbing systems must be protected from vandalism.
- I. For family projects of 50 or more units, a minimum of one school age-appropriate play structure is required. For family projects of 100 or more units, a minimum of one school age and one toddler-appropriate play structure is required.

Site Work – Rehabilitation only

- A. All landscaping and irrigation systems must be in a well-maintained condition.
- B. All fencing must be in good and serviceable condition. Existing fencing that is to remain shall be free of flaking paint, rust, or any other signs of failure. If existing fencing shows any signs of failure, it shall be repaired, painted and restored to look new. All chain link fencing must be removed and

replaced with fencing of another approved material. All pedestrian gates hardware must be functional and in new or near-new condition. Access Control systems are required at exterior pedestrian gates.

- C. All driveways and sidewalks must be in good condition. All cracked or uplifted areas (more than ¼") shall be repaired or replaced.
- D. The asphalt shall be in good condition, with no alligator cracking, longitudinal cracking, potholes, or standing water. Repairs to portions of parking lots not suitable for new coatings shall be performed by removing and replacing damaged paving. A new seal-coat or slurry-coat shall then be applied to the entire parking lot surface. Parking spaces shall be restriped, including ADA aisles and other applicable striping/painting.
- E. All site accessories (bollards, benches, tables, play equipment, bike racks, mailboxes, shade structures, BBQs, sheds, etc.) shall be replaced or in good repair (cleaned, painted and/or re-coated).

Building Envelope and Moisture Protection – Rehabilitation only

- A. All areas exposed to moisture must be sealed and watertight. Buildings showing evidence of water intrusion shall have the areas inspected by a licensed architect/engineer or by a certified water intrusion expert. A water intrusion report shall be submitted to SHRA, and shall include the cause of the issue and a resolution to eradicate the water intrusion. If the inspection cannot be completed until the demolition phase of the project, the report shall describe a procedure to inspect the issue during demolition.
- B. Roofing must have 15 years or more of remaining life with no visible signs of leakage. For roofs containing composition shingles, a maximum of two layers of shingles are allowed (including any proposed new layers). Provide evidence that the roof system has a 15-year life remaining on the manufacturer's warranty.
 - C. All siding must have 15 years or more of remaining life. Hairline cracks in stucco must be sealed and painted with elastomeric paint. If requested by SHRA, a statement by a licensed architect and/or engineer that the existing siding contains at least 15 years of useful life remaining shall be provided.
- D. Fireplaces must be clean and meet applicable air quality standards. Chimneys shall be clean and must be inspected by a certified chimney inspector for structural integrity. All recommended structural repairs shall be performed.

Doors and Windows

- A. All dwelling/tenant units must have screens on all windows that are designed to open. Windows designed to open must have functional locks and must operate freely without excessive effort. All windows must be dual-paned (minimum), and shall meet or exceed the State of California's currently applicable efficiency standards, and any other efficiency standards that may be dictated by the funding source or other governing bodies for the project.
- B. All doors must have matching hardware finishes.
- C. All exterior doors must have deadbolt locks, keyed latch assemblies, viewers, and screws in strike plates long enough to penetrate the door jamb framing by at least one inch. The dwelling entry door hardware shall have single action hardware to release deadbolt and latch assembly.
- D. All sliding exterior doors shall have screen doors and shall have functional locks and must operate freely without excessive effort.
- E. All doors and windows must meet current egress standards.

Doors and Windows – Rehabilitation only

- A. Any windows showing signs of condensation or leakage of any kind shall be replaced. SHRA allows window replacement using retrofit windows when those windows are installed by trained professionals following manufacturer's specifications. Retrofit windows must have a similar useful life as "new, construction" (i.e., nail fin) windows.
- B. All doors and doorjamb must be in good condition. No damaged or worn doorjamb or doors are allowed. Doors and/or jamb beyond their useful life shall be replaced.

Casework

- A. New cabinet boxes shall be made of plywood or solid wood. No particle board boxes will be allowed.
- B. All counter tops shall be of solid surface or granite, and in very good condition with no significant scratches, burns or other imperfections.
- C. Face frames, doors and drawer faces shall be solid hardwood. No plastic laminate finishes will be allowed.

Casework – Rehabilitation only

- A. All cabinets shall be replaced or in very good condition, within their 15 year useful life, both structurally and in appearance.

Finishes

- A. All dwelling unit kitchens shall contain luxury vinyl plank (LVP) flooring. Bathrooms must be floored with LVP, sheet vinyl or ceramic tile to provide a cleanable, impervious surface. Bedrooms, hallways, and living and dining rooms may be floored with carpeting, LVP or hardwood. Wear layer of LVP shall be at least 12 mils inside dwelling units. Tenant unit entries shall be floored with LVP or ceramic tile.

In common areas, corridors may be floored with LVP, glue-down carpeting, or carpet tiles. Community rooms and kitchens shall be floored with LVP. Wear layer of LVP in common/commercial areas shall be a minimum of 20 mils thick.

Carpet shall meet or exceed the minimum standards as set by HUD's UM-44D bulletin.

Finishes – Rehabilitation only

- A. Floor coverings must be in good, useable condition - no holes, tears, rips, or stains.
- B. All exterior and interior surfaces must be painted. No peeling, cracking, chipping, or otherwise failing paint will be allowed. All painted surfaces must be new, or in near new condition and appearance.
- B. Acoustic (popcorn) ceiling texture must be removed and refinished with new texture to match wall texture.

Equipment

- A. Dishwashers, refrigerator/freezer, oven, stoves and garbage disposals are required in all dwelling unit kitchens. All appliances must be new or in very good operating condition. All appliances must be Energy Star rated, as applicable. Appliances slated for ADA units shall be per code requirements.
- B. SRO projects are encouraged to provide the appliances listed above and will be reviewed and approved on a case-by-case basis.

- C. All kitchens must have adequate cabinet and counter space. Installation of shelving for microwaves is required if over-the-range microwaves are not used, with the exception of ADA units.

Furnishings

- A. Dwelling units must have window coverings on all windows.

Special Construction

- A. Non-habitable structures on property must be painted to match primary buildings and must be structurally sound.
- B. Laundry facilities must, at a minimum, be consistent with CTCAC requirements of one washer and dryer for every ten dwelling units for family housing and one for every 15 units for senior and special needs projects. Ten percent of the total number of washer/dryers must be ADA-accessible machines (unless the ADA units contain their own laundry facilities). Solid surface countertops will be required within laundry rooms and countertops shall meet all ADA requirements.
- C. Public pool areas shall have self-closing gate(s). Fences and gates at pool areas shall meet applicable current codes and standards. Joints between coping and concrete deck shall be appropriately caulked. Existing pools shall have no cracks in plaster or tile grout joints. The Developer is responsible for ensuring pool and surroundings meet all applicable current codes and standards. If a project contains two or more pools, at least one must remain following rehabilitation.

Mechanical/Plumbing

- A. Water heaters must be installed per current applicable codes.
- B. All common areas and tenant units must have heating and air conditioning. Wall mount (i.e. PTAC units) or central systems are acceptable. Evaporative coolers are not acceptable. HVAC units should be protected from vandalism, pursuant to discretion of SHRA.
- C. Toilets, showerheads, faucets, and mixing valves shall be new and meet current water conservation codes.
- D. Tub surrounds must be one unbroken piece per wall and must be of solid surfaces (such as "Swanstone" or other solid acrylic materials, quartz composites), or other similar materials. Fiberglass/acrylic surrounds are acceptable.

Mechanical/Plumbing – Rehabilitation only

- A. All toilets, sinks, and tubs shall be chip and stain free.

Electrical

- A. All units must have smoke/carbon monoxide detectors installed per current code.
- B. Wiring from telephone/data/cable suppliers shall be installed within walls, attic spaces, and/or crawl spaces. No conduits are allowed to be mounted on the exterior of the buildings in new construction.
- C. Broadband infrastructure meeting the requirements of 24 CFR 5.100* is required in all new construction projects of 4 or more units.

**Broadband infrastructure means cables, fiber optics, wiring, or other permanent (integral to the structure) infrastructure, including wireless infrastructure, that is capable of providing access to Internet*

connections in individual housing units, and that meets the definition of "advanced telecommunications capability" determined by the Federal Communications Commission under section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302).

Electrical – Rehabilitation only

- A. All electrical panels shall meet current code.
- B. Any rehabilitation projects with un-grounded electrical systems shall be re-wired with grounded systems to meet current code.
- C. For rehabilitation projects, switches, outlets and light fixtures shall be replaced with devices that meet current applicable codes.
- D. Wiring mounted on the exterior of the surface may be allowed if it is concealed in conduit and conduit is painted to match exterior siding. For projects where exterior siding will be removed, this wiring shall be installed within walls, attic spaces, and/or crawl spaces.

Resident Services Community Space

All properties, regardless of project type (i.e. senior, family, or large family), must devote a minimum of 1,200 s.f. to actual resident services/community space. Resident services space includes common kitchens, computer rooms, meeting rooms and general gathering space. It does not include public restrooms, leasing offices, laundry facilities and lobbies. Common kitchens are required, including refrigerator, stove, garbage disposal, and dishwasher.

For existing buildings, these requirements shall apply unless SHRA deems there to be significant physical constraints.

RESOLUTION NO. 20__ - ____

Adopted by the Housing Authority of the City of Sacramento

On the date of September 22, 2020

NORTH LAKE SENIOR APARTMENTS: A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO DECLARING INTENTION TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS AND DIRECTING CERTAIN ACTIONS

BACKGROUND

- A. The Housing Authority of the City of Sacramento (the "Authority") intends to issue tax-exempt obligations (the "Obligations") for the purpose, among other things, of making a loan to Pach Anton South Holdings, LLC a limited liability company formed by St. Anton Communities, LLC (the "Developer"), the proceeds of which shall be used by the Developer to finance the acquisition, construction and development of a 191-unit multifamily housing residential facility to be located West of Golden State Highway (Highway 99), South of West Elkhorn Boulevard, East of the end of Meister Way, and North of West Side Highway (Interstate 5), Sacramento, California (the "Project").
- B. United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure.
- C. It is in the public interest and for the public benefit that the Authority declare its official intent to reimburse the expenditures referenced herein.

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

- Section 1. The Authority intends to issue the Obligations for the purpose of paying the costs of financing the acquisition, construction and development of the Project.
- Section 2. The Authority hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations.

- Section 3. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$30,000,000.
- Section 4. The foregoing declaration is consistent with the budgetary and financial circumstances of the Authority in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by or on behalf of the Authority, or any public entity controlled by the Authority, for the expenditures for the acquisition, construction and development of the Project that are expected to be reimbursed from the proceeds of the Obligations.
- Section 5. The Developer shall be responsible for the payment of all present and future costs in connection with the issuance of the Obligations, including, but not limited to, any fees and expenses incurred by the Authority in anticipation of the issuance of the Obligations, any fees required by the California Debt Limit Allocation Committee ("CDLAC") the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Obligations. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Obligations shall be solely the responsibility of the Developer. The Obligations shall not constitute a debt or obligation of the Authority.
- Section 6. The appropriate officers or the staff of the Authority are hereby authorized, for and in the name of and on behalf of the Authority, to make an application to CDLAC for an allocation of private activity bonds for the financing of the Project.
- Section 7. The adoption of this Resolution shall not obligate (i) the Authority to provide financing to the Developer for the acquisition, construction and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the Authority, or any department of the Authority or the City of Sacramento to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.
- Section 8. This resolution shall take effect immediately upon its adoption.

Adopted by the Housing Authority of the City of Sacramento on September 22, 2020, by the following vote:

RESOLUTION NO. 20__ - ____

Adopted by the Sacramento City Council

On date of September 22, 2020

NORTHLAKE SENIOR APARTMENTS: APPROVAL OF THE ISSUANCE OF OBLIGATIONS BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON BEHALF OF [BORROWER]

BACKGROUND

- A. The Housing Authority of the City of Sacramento, a housing authority organized and existing under the laws of the State of California (the "Authority"), proposes a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, and at no time to exceed \$30,000,000 (the "Obligations") and to lend the proceeds thereof to [Borrower] or a partnership of which St. Anton Communities, LLC (the "Developer") or a related person to the Developer is the general partner, to be used to provide funds to finance or refinance the acquisition, construction and development of a multifamily housing senior residential facility to be located West of Golden State Highway (Highway 99), South of West Elkhorn Boulevard, East of the end of Meister Way, and North of West Side Highway (Interstate 5), in the City of Sacramento, California;
- B. Section 147(f) of the Code requires the execution and delivery of the Obligations to be approved by the City Council of the City (the "City Council"), as the elected representative of the City of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, after a public hearing has been held following reasonable and proper notice;
- C. A public hearing was held by the City Council on September 22, 2020, following duly published notice thereof, and all persons desiring to be heard have been heard;
- D. It is in the public interest and for the public benefit that the City Council, as the elected representative of the City of Sacramento and the host jurisdiction of the subject multifamily housing residential facility, approve the execution and delivery by the Authority of the Obligations;

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

Section 1. The City Council of the City of Sacramento hereby finds, determines and declares that issuance by the Authority of the Obligations in the maximum principal amount of \$30,000,000 for the purposes described above is hereby approved.

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

Adopted by the City of Sacramento City Council on September 22, 2020, by the following vote:

Ayes: Members,

Noes: Members,

Abstain: Members,

Absent: Members,

Attest:

Mindy Cuppy, City Clerk



September 2, 2020

**Sacramento Housing and
Redevelopment Commission
Sacramento, CA**

Honorable Members in Session:

SUBJECT:

Authorization to Adopt Second Substantial Amendment To The 2020 One-Year Action Plan; Amend The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Adopt Amendment To The Citizen Participation Plan Related To The Coronavirus Aid, Relief, And Economic Security Act (CARES)

RECOMMENDATION:

Staff is presenting this information to the Commission for review, prior to final review by the Sacramento City Council.

Respectfully Submitted


LA SHELLÉ DOZIER
Executive Director

Attachment



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

Public Hearing
September 22, 2020

Honorable Mayor and Members of the City Council

Title: Approval of a Second Substantial Amendment to the 2020-2024 Consolidated Plan, a Second Substantial Amendment to the 2020 One-Year Action Plan, and an Amendment to the Citizen Participation Plan to the Coronavirus Aid, Relief, and Economic Security Act (CARES) Funding

Location/Council District: Citywide

Recommendation: Conduct a public hearing and upon conclusion adopt a City Council Resolution a) approving the second Substantial Amendment to the 2020-2024 Consolidated Plan as set out in Exhibit A, and directing the Sacramento Housing and Redevelopment Agency (SHRA) to submit to the amended plan to the United States Department of Housing and Urban Development (HUD); b) approving the second Substantial Amendment to the 2020 One-Year Action Plan to allocate Emergency Solutions Grant – Coronavirus 2 (ESG-CV2) funds as described in Exhibit B and submit to HUD; c) authorizing SHRA to amend its budget to allocate ESG-CV2 funding for programs and activities in accordance with the amended 2020 One-Year Action; d) authorizing the City Manager or his designee to execute agreements with SHRA to carry out the activities contained in the amended 2020 One-Year Action Plan in compliance with applicable federal laws and regulations, as approved to form by SHRA Counsel and the City Attorney; e) authorizing SHRA to enter into a Memorandum of Agreement with the Sacramento County Department of Human Assistance (DHA) for DHA to enter into homeless related agreements to allocate some or all of the CARES ESG-CV2 funding; f) authorizing and delegating authority to SHRA to act as agent on behalf of the City of Sacramento to execute grant agreements with HUD and execute agreements and contracts with the appropriate entities to carry out programs and projects in accordance with the amended 2020 Action Plan and in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel; g) authorizing SHRA to make any budget adjustments and execute related documents as administer the federal programs as described in the amended 2020 Action Plan in compliance with applicable federal laws and regulations as outlined in Exhibit B; h) approving the City and County of Sacramento amended Citizen Participation Plan amendment, and making related findings.

Contact: Tyrone Roderick Williams, Deputy Executive Director, (916) 440-1316, Sacramento Housing and Redevelopment Agency

Presenters: Celia Yniguez, Program Manager, (916) 440-1350, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was approved which made \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV1) and \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV1) funds available to respond to the growing effects of the historic COVID-19 public health crisis. On April 2, 2020, HUD allocated CARES Act funding to the City of Sacramento based on the existing entitlement formulas for the two programs. The City received \$2,869,932 in CDBG-CV1 and \$1,453,941 in ESG-CV1.

Sacramento COVID-19 Homeless Response Plan

As part of the broader County and City emergency and public health response to COVID-19, the COVID-19 Homelessness Response Team (Response Team) composed of staff from the City and County of Sacramento, Sacramento Steps Forward (SSF), and SHRA was established. The Response Team developed the Sacramento COVID-19 Homelessness Response Plan (Plan) that included recommended strategies and actions necessary to slow the spread of COVID-19 and mitigate impacts for persons experiencing homelessness.

The Sacramento City Council and Sacramento County Board of Supervisors approved the Plan on April 7, 2020 and Sacramento Continuum of Care adopted it on April 8, 2020. Subsequently, on April 21, 2020, the City Council allocated the \$2,869,932 in CDBG-CV and \$1,453,941 in ESG-CV1 as funding sources for the Response Plan.

In total, the Response Plan received more than \$15 million in collective County and City funding to use for COVID-19 specific responses. The three areas which provide direct services to people experiencing homelessness include:

1. Keeping existing shelters safe and operational through education and provision of supplies;
2. Expanding sheltering capacity focusing on isolation/quarantine opportunities through the use of approximately 850 motel units administered by the Department of Human Assistance (DHA), and 59 trailer units located at Cal Expo and administered by the City of Sacramento; and
3. Supporting encampments through outreach, supply delivery, and increased sanitation.

The quarantine and isolation centers have housed 1,028 people and 872 households in 522 motel rooms and 59 trailers as of June 12, 2020. The original Plan provided funding for isolation/quarantine through July (for motels) and through June (for trailers). The Sacramento County Department of Human Assistance manages the motel portion and City of Sacramento staff manage the trailers. Sacramento County Department of Health Services provides medical support at all locations.

The Response Team accelerated work on strategies to maximize housing placements as people exited Isolation/Quarantine units and is recommending several actions and strategies to transition up to 500 households into permanent housing stability over the next few months.

Modifications to the Response Plan and Rehousing Strategies were presented to the City/County Continuum of Care Board as an informational item on July 8 and were approved by the Sacramento County Board of Supervisors July 14 and the City Council on August 18.

The Modifications change the following in the original Response Plan:

- Reduced the original number of isolation/quarantine rooms from 850 to 600, but extended the duration of the sheltering program through September. The Board of Supervisors discussed extending some facilities through the end of the year due to the current situation with COVID-19.
- The Response Plan will facilitate re-housing and bring new case management services and re-housing assistance to participants.

The following two strategies were approved to meet this goal:

Strategy 1. Re-housing assistance into existing permanent housing:

- Matching participants to existing re-housing assistance programs, and adjusting prioritization for some of those programs to support this effort (approximately 250 households);
- Expanding the County Flexible Housing Pool (FHP) re-housing program to facilitate approximately 225 housing placements; and
- Funding Room and Board placements, serving approximately 25 households.

Strategy 2. Development of new permanent supportive housing through motel acquisition and conversion. This strategy will take advantage of the California Department of Housing and Community Development's Homekey Program to purchase motels or properties for use as permanent supportive housing for persons experiencing homelessness. The Housing Authority of the City of Sacramento approved a funding application on August 11, 2020. The Housing Authority and its co-applicant, Jamboree Housing Corporation submitted a funding application to the Homekey Program on August 13, 2020.

New ESG-CV Allocation

On June 9, 2020, HUD notified the City of Sacramento it would receive a second allocation of ESG-CV (ESG-CV2) in the amount of \$10,205,871 based upon a new formula. As with the first allocation, funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19.

The ESG program provides funding for:

- Street Outreach: engage homeless individuals and families living on the street;
- Emergency Shelters: shelter operations and providing essential services to shelter residents,

- Rapid Rehousing - rapidly rehouse homeless individuals and families with rental assistance and services; and
- Prevention – providing rental assistance and services to prevent families/individuals from becoming homeless.

The modification to the Response Plan increased the length of motel operations and added rehousing strategies for participants, therefore the actions in this report support those changes and recommend allocating ESG-CV2 funding to emergency shelter operations, delivery of essential services, homeless prevention, rapid re-housing programs, and program administration.

Staff is requesting approval of a second Substantial Amendment to the 2020-2024 Consolidated Plan and a second Substantial Amendment to the 2020 One-Year Action Plan as detailed in Exhibit A and requests authorization to submit the amended plan to HUD. The 2020-2024 Consolidated Plan and the 2020 One-Year Action Plan were approved by Resolution 2019-0408 on October 22, 2019, which was amended on April 21, 2020 by Resolution 2020-0098. The Consolidated Plan and One-Year Action Plan amendments identify new resources and proposed activities for the expenditure of the ESG-CV2 funds to address the COVID-19 crisis. Newly funded activities are consistent with the Response Team's recommendations and are scheduled to be implemented as soon as agreements are executed (Exhibit B). An amendment to the Citizen Participation Plan is also proposed. The amendment includes updated language related to the providing public engagement through virtual public meetings (Exhibit C).

The public hearing before the City Council was noticed on September 13, 2020. SHRA received the required HUD waiver allowing for a 5-day public comment period on April 7, 2020.

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

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): The recommended actions are considered administrative or fiscal activities and therefore are not considered a project subject to CEQA pursuant to 14 CCR section 15378(b). Additionally, any funds used for emergency projects related to COVID will be exempt from CEQA review pursuant to 14 CCR section 15269(c).

National Environmental Policy Act (NEPA): The recommended actions are administrative and management activities and are therefore exempt under NEPA pursuant to 24 CFR 58.34(a)(1) and (3). Additionally, any activities undertaken with the above mentioned funds will either be exempt from NEPA pursuant to 24 CFR 58.34(a)(3) or (4), or categorically excluded pursuant to 24 CFR 58.35(b)(1) or (2). If required, NEPA review will be completed prior to taking any choice limiting action.

Sustainability Considerations: Not applicable.

Commission Action: *Sacramento Housing and Redevelopment Commission:* At its September 2, 2020 meeting, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: As a condition of the receipt of various CARES Act grants provided through HUD, the 2020-2024 Consolidated Plan and the Citizen Participation Plan are proposed for amendment to include new funding resources and allow for virtual public meetings. The 2020 Action Plan is proposed to be amended to include the ESG-CV2 CARES Act funding. The amendment includes a description of proposed activities and expenditures that meet the goals and priorities of the Consolidated Plan. These funds are designated to activities which will assist the community's vulnerable populations during this health crisis.

Financial Considerations: It is proposed that the SHRA budget be amended to incorporate the CARES Act funding and allocate \$9,695,577 to ESG Shelter(s), Rapid Re-Housing and Prevention: Funds to provide emergency shelter operations and essential services, homelessness prevention (new) and rapid re-housing (existing) and administration. Details about the allocation are included in Exhibit B.

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

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Attachments

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A to Resolution - 2020-2024 Consolidated Plan Amendment #2
- 4-Exhibit B to Resolution – 2020 Action Plan Amendment #2
- 5-Exhibit C to Resolution –Citizen Participation Plan Amendment

RESOLUTION NO. 2020 -

Adopted by the Sacramento City Council

On date of

Authorization for the Substantial Amendment #2 to the 2020-2024 Consolidated Plan; Substantially Amend the 2020 One-Year Action Plan for the Community Development Block Grant, Housing Opportunities for Persons With AIDS, and Emergency Solutions Grant Funded Projects and Programs for the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); Authorization for the Substantial Amendment #2 to the 2020 One-Year Action Plan for the Community Development Block Grant, Housing Opportunities for Persons With AIDS, and Emergency Solutions Grant Funded Projects and Programs for the CARES Act; Amendment of Prior Years' Action Plans; Amend the City and County of Sacramento Citizen Participation Plan; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; Execute Documents for the Administration of Federal Programs related to the Coronavirus Aid, Relief and Economic Security Act (CARES)

BACKGROUND

- A. The United States Department of Housing and Urban Development (HUD) requires the adoption of a Five-Year Consolidated Plan and annual Action Plan, consistent with the Consolidated Plan, to identify the programs and projects for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).
- B. Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA) and its constituent entities has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME, ESG, and HOPWA, funding originating from HUD.
- C. As the recipient of HUD funding and designated agent for the City of Sacramento, SHRA is authorized to submit environmental determinations on the City's behalf and on the behalf of non-profit sub-recipients.
- D. The recommended actions are consistent with the goals and objectives contained in the 2020-2024 Consolidated Plan, the Analysis of Impediments to Fair Housing Choice (AI) and the 2020 Action Plan which were approved by Resolution No. 2019-0408.
- E. On March 27, 2020, the President of the United States signed the CARES Act, Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus (ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic COVID-19 public health crisis.

- F. The CARES Act allocated funding to the City of Sacramento based upon fiscal year 2020 formulas in the following amounts: \$2,869,932 of CDBG-CV, \$1,453,941 of ESG-CV and \$218,082 of HOPWA supplemental allocation.
- G. The CARES Act allocated a second round of ESG-CV funding, ESG-CV2 to the City of Sacramento based upon a new formula in the amount of \$10,205,871.
- H. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of CDBG-CV funds, including the suspension of the 15 percent cap on public services; reducing the public comment period to 5 days for consolidated plan and action plan amendments, and allowing the option of virtual hearings.
- I. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of ESG-CV funds, including the suspension of the spending cap on emergency shelter and outreach activities; administrative cost cap is increased to 10 percent; funds are exempt from the match requirements; funds not subject to consultation and citizen participation requirements; subrecipients may deviate from applicable procurement standards; and supportive services are not a required to receive treatment.
- J. SHRA has applied and received for waivers for the CDBG-CV, ESG-CV and HOPWA supplemental funds.
- K. The City Council and County Board of Supervisors approved Sacramento COVID-19 Homeless Response Plan (Response Plan) and authorized implementation of the plan on April 7, 2020. The comprehensive plan utilizes, local, state and federal funding. The Board of Supervisors approved an amendment on July 14. The Response Plan designates the City and County with lead responsibilities.
- L. The 2020-2024 Consolidated Plan, the 2020 Action Plan and the City and County of Sacramento Citizen Participation Plan were amended to accept and allocate the CARES Act funding by City Council Resolution No. 2020-0098.
- M. On September 13, 2020 a notice to solicit comments on the proposed actions was published. The actions are scheduled to be approved at the Sacramento City Council meeting on September 22, 2020, which meets the 5 day public comment period requirement.
- N. The recommended actions are considered administrative activities and therefore are not considered a project subject to the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15378, and are exempt under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a)(1) and (3). Environmental reviews for individual activities or programs identified in the Action Plan will be completed prior to project commitment or choice limiting actions.

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

- Section 1. All evidence presented having been duly considered, the findings are found to be true and correct and are hereby adopted.
- Section 2. The 2020-2024 Consolidated Plan Substantial Amendment #2 is approved and SHRA is directed to submit the Consolidated Plan to HUD as set out in Exhibit A
- Section 3. The 2020 One-Year Action Plan Substantial Amendment #2 allocates ESG-CV2 funds as described in Exhibit B is approved. SHRA is directed to submit the amended 2020 One-Year Action Plan to HUD.
- Section 4. SHRA is authorized to amend its budget to allocate ESG-CV2 funding for programs and activities in accordance with the amended 2020 One-Year Action Plan and the amendments of the prior years' Action Plans.
- Section 5. The City Manager, or designee, is authorized to execute agreements with SHRA to carry out activities contained in the amended 2020 One-Year Action Plan and amendment to the various years' Action Plans in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel and the City Attorney.
- Section 6. SHRA is authorized to enter into a Memorandum of Agreement with the Sacramento County Department of Human Assistance (DHA) for DHA to enter into homeless related subrecipient agreements to allocate some or all of the CARES ESG-CV2 funding as describe in Exhibit B.
- Section 7. SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to execute grant agreements with HUD and execute agreements and contracts with the appropriate entities to carry out projects and programs in accordance with the amended 2020 One-Year Action Plan and amendments to prior years' Action Plans in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel.
- Section 8. SHRA is authorized to make budget adjustments and execute any and all related documents as necessary to administer federal programs, including invoicing, contracts, and amendments as described in the amended 2020 One-Year Action Plan as described in Exhibit B in compliance with applicable federal laws and regulations.
- Section 9. The City and County of Sacramento Citizen Participation Plan is amended (Exhibit C).

Table of Contents:

Exhibit A - 2021-2024 Consolidated Plan Amendment #2

Exhibit B - 2020 Action Plan Amendment #2

Exhibit C - City and County of Sacramento Citizen Participation Plan Amendment

City of Sacramento
Amendment to 2020-2024 Consolidated Plan #2

This report formally amends the 2020-2024 Consolidated Plan, amends the Citizen Participation Plan and allocates new CARES Act funding to City of Sacramento activities listed below. Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language:

PR-15 Citizen Participation**Substantial amendment public comment period and public hearing.**

Public hearings for the Consolidated Plan, Annual Action Plan and Citizen Participation Plan to add language related to the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136, were held on September 22, 2020. These hearings were promoted through the SHRA website, Sacramento Bee (also translated into Spanish), Sacramento Observer, Hai Van News, and Latino Times. The five-day public comment period began on September 1, 2020. The formal public hearing was held before the Sacramento Housing and Redevelopment Commission (SHRC) on September 2, 2020. The public had the opportunity to ask questions at the Board of Supervisors and the City Council meetings on September 22, 2020.

SP-05 Overview

March 27, 2020, Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. The CARES Act allocated to the City of Sacramento the following funding:

- \$10,205,871 of ESG-CV2

SP-35 Anticipated Resources

- \$10,205,871 of ESG-CV2

SP-45 Goals

Additional resources are added to:

- 3 - Emergency Shelter, Rapid Re-Housing and Prevention Activities –ESG-CV2 \$9,695,577
- 5 – Administration - ESG-CV2 \$510,294

SP-60 Homeless Strategy

Under SHRA subsection, ESG-funded Prevention Program the following language was added. The SHRA Prevention Program will be administered by the Sacramento Housing Authority and will assist seniors, transitioning age youth (TAY), and other at-risk of homelessness households (families and individuals). Prevention assistance was provided as outlined in the Housing Authority's Prevention Program and per ESG- Prevention regulations (24 CFR Part 576) and HUD Notices, Award Letters, Guidance or other HUD notification.

**City of Sacramento
Amendment #2 to 2020 Action Plan and Previous Year’s Action Plans**

This report formally amends the 2020 Action Plan and previous years’ Action Plans by adding the Prevention Program, and adding and allocating 2020 CARES Act funding to activities listed below: Newly funded activities to be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds.

Amendment #2 to 2020 Action Plan

This report formally amends the 2020 Action Plan by allocating new CARES Act funding to the activities identified below. Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language which will be incorporated into the 2020 Action Plan:

AP-15 Expected Resources

- \$10,205,871 of ESG-CV2

AP-35 Projects

- Emergency Shelter, Rapid Re-Housing and Prevention Activities –ESG-CV2 \$9,695,557 million
- Administration - ESG-CV2 \$510,294

AP-65 Homeless and Other Special Needs Activities

ESG-funded Prevention Program added. The SHRA Prevention Program will be administered by the Sacramento Housing Authority and will assist at-risk of homelessness seniors, transitioning age youth (TAY), and other at-risk of homelessness households (families and individuals). Prevention assistance will be provided as outlined in the Housing Authority’s Prevention Program and per ESG- Prevention regulations (24 CFR Part 576) and HUD Notices, Award Letters and Guidance or other HUD notification.

2020 One-Year Action Plan Amendment #2		
Recommendation – Emergency Solutions Grant	Amount	Fund
ESG Shelter(s), Rapid Re-Housing and Prevention: Funds to provide emergency shelter operations, delivery and essential services, homelessness prevention (new) and rapid re-housing (existing) programs will be undertaken per ESG regulations.	\$9,695,577	ESG-CV2
ESG Program Administration: Administrative services for the implementation of ESG-funded activities (3%)	\$510,294	ESG-CV2
Total	\$10,205,871	

**City and County of Sacramento
Citizen Participation Plan Amendment for Virtual Meetings/Hearings**

The language below will be added to the current City and County of Sacramento Citizen Participation plan:

Virtual Meetings/Hearings

Virtual meetings and virtual public hearings will be held in place of in-person meetings/hearings as authorized by the Sacramento Housing and Redevelopment Commission, Sacramento City Council, and Sacramento County Board of Supervisors. In addition, this Citizen Participation Plan will follow HUD notices, waivers, award letters or other communications related to virtual and in-person public meetings or hearings.

Meetings of the Sacramento Housing and Redevelopment Commission are closed to the public until further notice in compliance with state guidelines on social distancing, in accordance with the Brown Act, (as currently in effect under the State Emergency Services Act), the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020. These measures facilitate participation by members of the Commission, Staff, and the public and allow meetings to be conducted by teleconference, videoconference, or both.

Refer to the Sacramento City Council and Sacramento County Board of Supervisor's web pages for current public meeting policies and procedures.

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

September 2, 2020

Authorization for the Substantial Amendment #2 to the 2020-2024 Consolidated Plan; Authorization for the Substantial Amendment #2 to the 2020 One-Year Action Plan for the Emergency Solutions Grant (ESG) Funded Projects and Programs for the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); Amendment of Prior Years' Action Plans; Amend the City and County of Sacramento Citizen Participation Plan; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; Execute Documents for the Administration of Federal Programs related to the Coronavirus Aid, Relief and Economic Security Act

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires adoption of a Consolidated Plan to identify the programs and projects for the expenditure of federal Community Development Block Grant (CDBG), Home Investment Partnership Program (HOME), and Emergency Solutions Grant (ESG) funds; and

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

WHEREAS, SHRA serves as a joint staffing agency for administration of Consolidated Plan programs in both the City of Sacramento and the County of Sacramento; and

WHEREAS, as the recipient of HUD funding and designated agent for the City and County of Sacramento, SHRA is authorized to submit an environmental determination on their behalf and on behalf of non-profit subrecipients; and

WHEREAS, the 2020-2024 Consolidated Plan, the Analysis of Impediments to Fair Housing Choice (AI) and the 2020 Action Plan which were approved by Sacramento Housing and Redevelopment Commission by Resolution No. 2019-22; and

WHEREAS, on March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus

(ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic COVID-19 public health crisis; and

WHEREAS, the 2020-2024 Consolidated Plan, the 2020 Action Plan and the City and County of Sacramento Citizen Participation Plan were amended to accept and allocate the CARES Act funding by Sacramento Housing and Redevelopment Commission by Resolution No. 2020-.08

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All evidence presented having been duly considered, the Sacramento Housing and Redevelopment Commission accepts the findings which are found to be true and correct and are hereby adopted.

Section 2. Subject to approval of the Substantial Amendment #2 to the 2020-2024 Consolidated Plan (Exhibit A) Substantial Amendment #2 to the 2020 One-Year Action Plan (Exhibit B) by the Sacramento City Council and the Sacramento County Board of Supervisors, the Executive Director, or designee, is authorized to:

- Amend the Sacramento Housing and Redevelopment Agency budget to allocate the Emergency Solutions Grant ESG-CV2 funding for programs and projects in accordance with 2020 One-Year Action Plan Substantial Amendment #2.
- Execute agreements, contracts, and documents with HUD and the appropriate entities to carry out the Action Plans' activities in compliance with adopted policies, guidelines and federal law, as approved to form by SHRA Counsel.
- Submit the amended #2 2020-2024 Consolidated Plan and amended 2020 One-Year Action Plan to the HUD.

Section 3. The City and County of Sacramento Citizen Participation Plan Amendment in Exhibit B is adopted.

CHAIR

ATTEST:

CLERK



June 17, 2020

**Sacramento Housing and
Redevelopment Commission
Sacramento, CA**

Honorable Members in Session:

SUBJECT:

Authorization to Adopt Second Substantial Amendment To The 2020 One-Year Action Plan; Amend The Sacramento Housing And Redevelopment Agency (SHRA) Budget; Adopt Amendment To The Citizen Participation Plan Related To The Coronavirus Aid, Relief, And Economic Security Act (CARES)

RECOMMENDATION:

Staff is presenting this information to the Commission for review, prior to final review by the Board of Supervisors of the County of Sacramento.

Respectfully Submitted


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
September 22, 2020

To: Board of Supervisors

Through: Navdeep S. Gill, County Executive
Bruce Wagstaff, Deputy County Executive, Social Services

From: La Shelle Dozier, Executive Director, Sacramento Housing
and Redevelopment Agency

Subject: Adopt Second Substantial Amendment To The 2020-2024
Consolidated Plan; Adopt Second Substantial Amendment
To The 2020 One-Year Action Plan; Amend the Sacramento
Housing And Redevelopment Agency (SHRA) Budget;
Adopt Amendment To The Citizen Participation Plan
Related To The Coronavirus Aid, Relief, And Economic
Security Act (CARES)

District(s): All

RECOMMENDED ACTION

The report recommends approval of the attached Board of Supervisors Resolution which:

1. Adopts the second Substantial Amendment to the 2020-2024 Consolidated Plan as set out in Attachment 1 and directs the Sacramento Housing And Redevelopment Agency (SHRA) to submit to the United States Department of Housing and Urban Development (HUD);
2. Adopts the second Substantial Amendment to the 2020 One-Year Action Plan which allocates Emergency Solutions Grant-Coronavirus 2 (ESG-CV2) funds to various programs and activities as set out in Attachment 2 and directs SHRA to submit to HUD;
3. Authorizes SHRA to amend its budget according to Attachment 2;
4. Authorizes the County Executive, or designee, to execute agreements with SHRA to carry out the Amended 2020 One-Year Action Plan activities;

Adopt Second Substantial Amendment To The 2020-2024 Consolidated Plan;
Adopt Second Substantial Amendment To The 2020 One-Year Action Plan;
Amend the Sacramento Housing And Redevelopment Agency (SHRA)
Budget; Adopt Amendment To The Citizen Participation Plan Related To The
Coronavirus Aid, Relief, And Economic Security Act (CARES)
Page 2

5. Authorizes SHRA to make any budget adjustments and execute any and all related documents, including invoicing, contracts and amendments as necessary to carry out the activities identified in the amended 2020 Action Plan in compliance with applicable federal laws and regulations and delegates authority to SHRA to execute agreements and contracts with HUD and appropriate entities to implement the Action Plan;
6. Adopts the amendment to the City and County of Sacramento Citizen Participation Plan as set out in Attachment 3; and
7. Makes related findings.

BACKGROUND

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was approved which made \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV1) and \$4 billion in Emergency Solutions Grant Coronavirus (ESG-CV1) funds available to respond to the growing effects of the historic COVID-19 public health crisis. On April 2, 2020, HUD allocated CARES Act funding to the County of Sacramento based on the existing entitlement formulas for the two programs. The County received \$3,470,768 in CDBG-CV1 and \$1,747,452 in ESG-CV1.

Sacramento COVID-19 Homeless Response Plan

As part of the broader County and City emergency and public health response to COVID-19, the COVID-19 Homelessness Response Team (Response Team) composed of staff from the City and County of Sacramento, Sacramento Steps Forward (SSF), and SHRA was established. The Response team developed the Sacramento COVID-19 Homelessness Response Plan (Plan) that included recommended strategies and action necessary to slow the spread of COVID-19 and mitigate impacts for persons experiencing homelessness.

The Sacramento City Council and Sacramento County Board of Supervisors approved the Plan on April 7, 2020 and Sacramento Continuum of Care adopted it on April 8, 2020. Subsequently, on April 21, 2020, the County Board of Supervisors allocated the \$3,470,768 in CDBG-CV1 and \$1,747,452 in ESG-CV1 as funding sources for the Response Plan.

Adopt Second Substantial Amendment To The 2020-2024 Consolidated Plan;
Adopt Second Substantial Amendment To The 2020 One-Year Action Plan;
Amend the Sacramento Housing And Redevelopment Agency (SHRA)
Budget; Adopt Amendment To The Citizen Participation Plan Related To The
Coronavirus Aid, Relief, And Economic Security Act (CARES)
Page 3

In total, the Response Plan received more than \$15 million in collective County and City funding to use for COVID-19 specific responses. The three areas which provide direct services to people experiencing homelessness include:

1. Keeping existing shelters safe and operational through education and provision of supplies;
2. Expanding sheltering capacity focusing on isolation/quarantine opportunities through the use of approximately 850 motel units administered by the Department of Human Assistance (DHA), and 59 trailer units located at Cal Expo and administered by the City of Sacramento; and
3. Supporting encampments through outreach, supply delivery, and increased sanitation.

The quarantine and isolation centers have housed 1,028 people and 872 households in 522 motel rooms and 59 trailers as of June 12, 2020. The original Plan provided funding for isolation/quarantine through July (for motels) and through June (for trailers). The Sacramento County Department of Human Assistance manages the motel portion and City of Sacramento staff manage the trailers. Sacramento County Department of Health Services provides medical support at all locations.

The Response Team accelerated work on strategies to maximize housing placements as persons exit Isolation/Quarantine units and is recommending several actions and strategies to transition up to 500 households into permanent housing stability over the next few months.

Modifications to the Response Plan and Rehousing Strategies were presented to the City/County Continuum of Care Board as an informational item on July 8 and were approved by the Sacramento County Board of Supervisors July 14 and the Sacramento City Council on August 18.

The Modifications change the following in the original Response Plan:

- Reduced the original number of isolation/quarantine rooms from 850 to 600, but extended the duration of the sheltering program through September. The Board of Supervisors discussed extending some facilities through the end of the year due to the current situation with COVID-19.
- The Response Plan will facilitate re-housing and bring new case management services and re-housing assistance to participants.

The following two strategies were approved to meet this goal:

Strategy 1. Re-housing assistance into existing permanent housing:

- Matching participants to existing re-housing assistance programs, and adjusting prioritization for some of those programs to support this effort (approximately 250 households);
- Expanding the County Flexible Housing Pool (FHP) re-housing program to facilitate approximately 225 housing placements; and
- Funding Room and Board placements, serving approximately 25 households.

Strategy 2. Development of new permanent supportive housing through motel acquisition and conversion. This strategy will take advantage of the California Department of Housing and Community Development's Homekey Program to purchase motels or properties for use as permanent supportive housing for persons experiencing homelessness. The property would be purchased and operated by SHRA. While the Board of Supervisors did not approve a Homekey application for Lions Gate Hotel, SHRA and County staff continue look for motel conversation opportunities.

New ESG-CV Allocation

On June 9, 2020, HUD notified the County of Sacramento it will receive a second allocation of ESG-CV (ESG-CV2) in the amount of \$11,878,700 based upon a new formula. As with the first allocation, these funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19.

The ESG program provides funding for:

- Street Outreach: engage homeless individuals and families living on the street;
- Emergency Shelters: shelter operations and providing essential services to shelter residents,
- Rapid Rehousing - rapidly rehouse homeless individuals and families with rental assistance and services; and
- Prevention - providing rental assistance and services to prevent families/individuals from becoming homeless.

Adopt Second Substantial Amendment To The 2020-2024 Consolidated Plan;
Adopt Second Substantial Amendment To The 2020 One-Year Action Plan;
Amend the Sacramento Housing And Redevelopment Agency (SHRA)
Budget; Adopt Amendment To The Citizen Participation Plan Related To The
Coronavirus Aid, Relief, And Economic Security Act (CARES)
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The modification to the Response Plan increased the length of motel operations and added rehousing strategies for participants, therefore the actions in this staff report support those changes and recommend allocating ESG-CV2 funding to emergency shelter operations, delivery of essential services, homeless prevention programs, rapid re-rehousing program, and program administration.

The modification to the Response Plan increased the length of motel operations and added rehousing strategies for participants, therefore the actions in this report support those changes and recommend allocating ESG-CV2 as followings: 1) \$4,020,000 to Emergency Shelter Operations; 2) \$6,227,000 to Rehousing Programs; and 3) \$1,000,000 to Homeless Prevention Programs.

Staff is requesting approval of a second Substantial Amendment to the 2020-2024 Consolidated Plan and a second Substantial Amendment to the 2020 One-Year Action Plan as detailed in Attachment 2 and requests authorization to submit the amended plan to HUD. The 2020-2024 Consolidated Plan and the 2020 One-Year Action Plan was approved by Resolution 2019-0743 on October 22, 2019, which was amended on April 21, 2020 by Resolution 2020-0259. The Consolidated Plan and One-Year Action Plan amendments identify new resources and proposed activities for the expenditure of ESG-CV2 funds to address the COVID-19 crisis. Newly funded activities are consistent with the Response Team's recommendations and are scheduled to begin implementation as soon as agreements are executed (Attachment 2). An amendment to the Citizen Participation Plan is also proposed. The amendment includes updated language related to providing public engagement through virtual public meetings (Attachment 3).

The public hearing before the Board of Supervisors was noticed on September 13, 2020. SHRA received the required HUD waiver allowing for a 5-day public comment period on April 7, 2020.

Adopt Second Substantial Amendment To The 2020-2024 Consolidated Plan;
Adopt Second Substantial Amendment To The 2020 One-Year Action Plan;
Amend the Sacramento Housing And Redevelopment Agency (SHRA)
Budget; Adopt Amendment To The Citizen Participation Plan Related To The
Coronavirus Aid, Relief, And Economic Security Act (CARES)
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COMMISSION ACTION

At its meeting of September 2, 2020, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. Staff will notify the Board in the event the item is not approved.

POLICY CONSIDERATIONS

The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives outlined in the amended Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate-income persons and areas with the following: housing, homeless facilities and services, public services, public facility and infrastructure improvements, and planning activities.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The recommended actions are considered administrative or fiscal activities and therefore are not considered a project subject to CEQA pursuant to 14 CCR section 15378(b). Additionally, any funds used for emergency projects related to COVID will be exempt from CEQA review pursuant to 14 CCR section 15269(c).

National Environmental Policy Act (NEPA): The recommended actions are administrative and management activities and are therefore exempt under NEPA pursuant to 24 CFR 58.34(a)(1) and (3). Additionally, any activities undertaken with the above mentioned funds will either be exempt from NEPA pursuant to 24 CFR 58.34(a)(3) or (4), or categorically excluded pursuant to 24 CFR 58.35(b)(1) or (2). If required, NEPA review will be completed prior to taking any choice limiting action.

M/WBE/SECTION 3 CONSIDERATIONS

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

Adopt Second Substantial Amendment To The 2020-2024 Consolidated Plan;
Adopt Second Substantial Amendment To The 2020 One-Year Action Plan;
Amend the Sacramento Housing And Redevelopment Agency (SHRA)
Budget; Adopt Amendment To The Citizen Participation Plan Related To The
Coronavirus Aid, Relief, And Economic Security Act (CARES)
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FINANCIAL ANALYSIS

It is proposed that the SHRA budget be amended to incorporate the CARES Act funding and allocating \$11,247,000 to ESG Shelter(s), Rapid Re-Housing and Prevention, emergency shelter operations and essential services, homelessness prevention (new) and rapid re-housing (existing) and administration. Attachment 2 provides additional detail on the allocations.

Respectfully Submitted,

APPROVED
NAVDEEP S. GILL,
County Executive



LA SHELLE DOZIER, Executive Director
Sacramento Housing and
Redevelopment Agency

By: _____
BRUCE WAGSTAFF
Deputy County Executive

Attachments:

RES – Resolution

ATT 1 – Substantial Amendment to the 2020-2024 Consolidated Plan #2

ATT 2 – Substantial Amendment to the 2020 Action Plan #2

ATT 3 – Amendment to the Citizen Participation Plan

RESOLUTION NO.

APPROVAL OF THE SUBSTANTIAL AMENDMENT #2 TO THE 2020-2024 CONSOLIDATED PLAN; APPROVAL OF THE SUBSTANTIAL AMENDMENT #2 TO THE 2020 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT); AUTHORIZATION TO EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS; APPROVE THE AMENDMENT TO THE CITIZEN PARTICIPATION PLAN; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY BUDGET RELATED TO THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT

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

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

WHEREAS, on March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus (ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic public health crisis of COVID-19; and

WHEREAS, the CARES Act allocated funding to the County of Sacramento based upon the fiscal year 2020 formula in the following amounts: \$3,470,768 of CDBG-CV1 and \$1,453,941 of ESG-CV1; and

WHEREAS, the CARES Act allocated a second round of ESG-CV funding, ESG-CV2 to the County of Sacramento based upon a new formula in the amount of \$11,878,700; and

WHEREAS, the CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of CDBG-CV funds, including the suspension of the 15 percent cap on public services; reducing the comment period to 5 days for consolidated plan and action plan amendments, and allowing the option of virtual hearings; and

WHEREAS, the CARES Act authorized the Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of ESG-CV funds, including the suspension of the spending cap on emergency shelter and outreach activities; administrative cost cap is increased to 10 percent; funds are exempt from the match requirements; funds not subject to consultation and citizen participation requirements; subrecipients may deviate from applicable procurement standards; and supportive services are not a required to receive treatment; and

WHEREAS, SHRA has applied and received for waivers for the CDBG-CV, and ESG-CV funds; and

WHEREAS, the City Council and County Board of Supervisors approved Sacramento COVID-19 Homeless Response Plan (Response Plan) and authorized implementation of the plan on April 7, 2020. The Board of Supervisors approved an amendment on July 14. The comprehensive plan utilizes, local, state and federal funding. The Response Plan designates the City and County with lead responsibilities; and

WHEREAS, on September 13, 2020, a notice to solicit comments on the proposed actions was published. The actions are scheduled to be approved at the Sacramento County Board of Supervisors meeting on September 22, 2020, which meets the five-day public comment period requirement; and

WHEREAS, the recommended actions are considered administrative activities and therefore are not considered a project subject to the California Environmental Quality Act pursuant to Guidelines Section 15378, and are exempt under the National Environmental Policy Act pursuant to 24 CFR

58.34(a) (1) and (3). Environmental reviews for individual activities or programs identified in the Action Plan will be completed prior to project commitment or choice limiting actions.

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

Section 1: All evidence present having been dully considered, the Sacramento County Board of Supervisors accepts the findings, which are found to be true and correct are hereby adopted.

Section 2: The Substantial Amendment #2 2020-2024 Consolidated Plan as set forth in Attachment 1, is adopted. SHRA is directed to submit the Consolidated Plan to HUD.

Section 3: The Substantial Amendment #2 to the 2020 One-Year Action Plan, which allocates ESG-CV2 funds to various programs and activities as set forth in Attachment 2, is approved.

Section 4: SHRA is authorized to amend its budget in accordance with Attachment 2 and amend to allocate ESG-CV2 funds to to programs and activities in accordance with the amended 2020 Action Plan in compliance with the applicable federal laws and regulations as approved to form by SHRA and County Counsel.

Section 5: The County Executive, or designee, is authorized to execute agreements with SHRA to carry out activities in the amended 2020 One-Year Action Plan in compliance with adopted policies, guidelines, regulations as approved to form by SHRA and County Counsel.

Section 6: SHRA is authorized to make any budget adjustments and execute any and all related documents, including invoicing, contracts, and amendments as necessary to carry out the activities identified in the amended 2020 One-Year Action Plan in compliance with applicable federal laws and regulations. SHRA is delegated to execute agreements and contracts with HUD and appropriate entities to implement the Action Plan;

Section 7: The amended City and County of Sacramento Citizen Participation Plan as set forth in Attachment 3, is approved.

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 this 22nd day of September, 2020, 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

County of Sacramento
Amendment #2 to 2020-2024 Consolidated Plan

This report formally amends the 2020-2024 Consolidated Plan, amends the Citizen Participation Plan and by allocates new CARES Act funding to County of Sacramento activities listed below: Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language which will be incorporated into the 2020-2024 Consolidated Plan.

PR-15 Citizen Participation

Substantial amendment public comment period and public hearing

Public hearings for the Consolidated Plan, Annual Action Plan and Citizen Participation Plan to add language related to the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136, were held on September 22, 2020. These hearings were promoted through the SHRA website, Sacramento Bee (also translated into Spanish), Sacramento Observer, Hai Van News, and Latino Times. The 5-day public comment period began on September 1, 2020. The formal public hearing was held before the Sacramento Housing and Redevelopment Commission (SHRC) on September 2, 2020. The public had the opportunity to ask questions at the Board of Supervisors and the City Council meetings on September 22, 2020.

SP-05 Overview

March 27, 2020, Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. The CARES Act allocated to the County of Sacramento the following funding:

- \$11,878,700 of ESG-CV2

SP-35 Anticipated Resources

- \$11,878,700 of ESG-CV2

SP-45 Goals

Additional resources are added to:

3 – Emergency Shelter, Rapid Re-Housing and Prevention Activities – ESG-CV2 \$11,247,000 million

5 – Administration - ESG-CV2 \$631,700

SP-60 Homeless Strategy

Under SHRA subsection, ESG-funded Prevention Program the following language was added. The SHRA Prevention Program will be administered by the Sacramento Housing Authority and will assist seniors, transitioning age youth (TAY), and other at-risk of homelessness households (families and

individuals). Prevention assistance was provided as outlined in the Housing Authority's Prevention Program and per ESG- Prevention regulations (24 CFR Part 576) and HUD Notices, Award Letters, Guidance or other HUD notification.

County of Sacramento

Amendment #2 to 2020 Action Plan and Previous Year’s Action Plans

This report formally amends the 2020 Action Plan and previous years’ Action Plans by adding the Prevention Program, and adding and allocating 2020 CARES Act funding to activities listed below: Newly funded activities to be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds.

Amendment #2 to 2020 Action Plan

This report formally amends the 2020 Action Plan by allocating new CARES Act funding to the County of Sacramento activities listed below: Newly funded activities are scheduled to be begin implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language which will be incorporated into the 2020 Action Plan:

AP-15 Expected Resources

- \$11,878,700 of ESG-CV2

AP-35 Projects

Emergency Shelter, Rapid Re-Housing and Prevention Activities –ESG-CV2
\$11,247,000

Administration - ESG-CV2 \$631,700

AP-65 Homeless and Other Special Needs Activities

ESG-funded Prevention Program added. The SHRA Prevention Program will be administered by the Sacramento Housing Authority and will assist at-risk of homelessness seniors, transitioning age youth (TAY), and other at-risk of homelessness households (families and individuals). Prevention assistance will be provided as outlined in the Housing Authority’s Prevention Program and per ESG- Prevention regulations (24 CFR Part 576) and HUD Notices, Award Letters and Guidance or other HUD notification.

2020 One-Year Action Plan Amendment #2		
Recommendation – Emergency Solutions Grant	Amount	Fund
ESG Shelter(s), Rapid Re-Housing and Prevention: Funds to provide emergency shelter operations, delivery and essential services, homelessness prevention (new) and rapid re-housing (existing) programs will be undertaken per ESG regulations.	\$11,247,000	ESG-CV2
ESG Program Administration: SHRA administrative services for the implementation of ESG-funded activities	\$631,700	ESG-CV2
Total	\$11,878,700	

**City and County of Sacramento
Citizen Participation Plan Amendment for Virtual Meetings/Hearings**

The language below will be added to the current City and County of Sacramento Citizen Participation plan:

Virtual Meetings/Hearings

Virtual meetings and virtual public hearings will be held in place of in-person meetings/hearings as authorized by the Sacramento Housing and Redevelopment Commission, Sacramento City Council, and Sacramento County Board of Supervisors. In addition, this Citizen Participation Plan will follow all required HUD notices, waivers, award letters or other communications related to virtual and in-person public meetings or hearings.

Meetings of the Sacramento Housing and Redevelopment Commission are closed to the public until further notice in compliance with state guidelines on social distancing, in accordance with the Brown Act, (as currently in effect under the State Emergency Services Act), the Governor's Emergency Declaration related to COVID-19, and the Governor's Executive Order N-29-20 issued on March 17, 2020. These measures facilitate participation by members of the Commission, Staff, and the public and allow meetings to be conducted by teleconference, videoconference, or both.

Refer to the Sacramento City Council and Sacramento County Board of Supervisor's web pages for current public meeting policies and procedures.



September 2, 2020

**Sacramento Housing and
Redevelopment Commission
Sacramento, CA**

Honorable Members in Session:

SUBJECT:

Approval of Homekey Program Application – La Mancha Project

RECOMMENDATION:

Staff is presenting this information to the Commission for review, prior to final review by the Sacramento City Council and Housing Authority of the City of Sacramento.

Respectfully Submitted


LA SHELLE DOZIER
Executive Director

Attachment



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

Consent
September 22, 2020

Chair and Members of the Housing Authority Board

Title: Approval of Homekey Program Application – La Mancha Project

Location/Council District: 7789 La Mancha, District 6

Recommendation: Adopt a Housing Authority Resolution authorizing the Executive Director, or her designee, to: 1) submit an co-application, along with Mercy Housing California, to the California Department of Housing and Community Development in the amount of up to \$15,500,000 for funding under the Homekey Program; 2) execute a Standard Agreement for such funding and execute any documents necessary to participate in the Homekey Program, and any amendments thereto; and 3) amend the Housing Authority budget to receive and expend the \$15,500,000 in Homekey Program funds for the acquisition, rehabilitation, and operation of a motel conversion to permanent supportive housing for the homeless.

Contact: Christine Weichert, Assistant Director, (916) 440-1353, Tyrone Roderick Williams, Deputy Executive Director, (916) 440-1316, Sacramento Housing and Redevelopment Agency

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

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: On July 16, 2020 the State of California Department of Housing and Community Development (HCD) announced that it is making \$550 million available through a Notice of Funding Availability (NOFA) for the Homekey Program. The Homekey Program will provide funding to cities, counties, and other local entities to convert motels, hotels, and other non-residential structures into permanent supportive housing for the State's unhoused population. The Homekey Program is funded with federal Coronavirus Relief Funds (CRF) which must be spent by December 30, 2020. In addition, the State is providing \$50 million in General Funds to provide initial operating subsidies under the program which must be expended by June 30, 2022.

The Housing Authority is presented a co-application with Mercy Housing California that seeks funding to acquire a motel on La Mancha Way and undertake the moderate rehabilitation necessary for the motel rooms to serve as permanent housing for unhoused individuals and families. The Housing Authority will seek funding from the Homekey Program to cover the cost of acquisition, rehabilitation, and a portion of operation. The Housing Authority and the developer are partnering with the County of Sacramento for an allocation of Mental Health Services Act funding for additional operating funds. The Housing Authority will commit to covering the costs, as needed, for five years of operation as required by the Homekey program.

If the application is successful, Mercy Housing, as co-applicant, will acquire a 124-room extended stay hotel, located at 7789 La Mancha Way, currently operating as the Woodspring Suites. It is anticipated that 100 of the existing rooms in their current studio configuration will immediately be available for use as permanent supportive housing for eligible homeless and at-risk individuals. Due to the fact that the property was built in 2009, has been well-maintained, and has a kitchenette in each unit, the property offers a unique opportunity to occupy as permanent housing almost immediately upon acquisition. The remaining 24 rooms will be used to provide space for resident services.

The Housing Authority will return with a more detailed project description and requesting additional approvals in the event that a Homekey Program award is made.

Mercy Housing is a nonprofit public benefit corporation dedicated to providing quality affordable housing with supportive programs to low-income individuals in California. Mercy has developed more than 11,000 affordable homes, including over 8,000 rental and 3,000 homeownership units. Their portfolio includes 20 properties with over 1,400 units in Sacramento County. The Developer is qualified to repurpose a motel given its experience in the rehabilitation of the Budget Inn on Stockton Boulevard into the 74-unit Boulevard Court Apartments, and the 92-unit Courtyard Inn Apartments, both permanent supportive housing developments.

Policy Considerations: The Policy is consistent with the Sacramento COVID-19 Homeless Response Plan and will assist the City in meeting the 2013-2021 Housing Element goal of promoting the construction of extremely low income housing.

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): Submission of the Homekey application is not a project subject to CEQA pursuant to CEQA Guidelines Section 15378. Any project undertaken with Homekey funds will be subject to subsequent CEQA analysis prior to approving the project, and is anticipated to be exempt pursuant to AB83.

Sustainability Considerations: Not applicable.

Commission Action: *Sacramento Housing and Redevelopment Commission:* The Sacramento Housing and Redevelopment Commission was briefed on this item at their September 2, 2020 meeting.

Rationale for Recommendation: The number of people living unsheltered in Sacramento has increased significantly since the previous Point in Time Count.

Financial Considerations: The Homekey Program will provide the City with much-needed resources to provide housing for currently unhoused or unsheltered individuals and families. The proposal seeks approval to apply for up to \$15,500,000 in funding for acquisition, rehabilitation and operation of a converted motel.

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

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Attachments

- 1-Description/Analysis
- 2-Resolution

RESOLUTION NO. 2020 -

Adopted by the Housing Authority of the City of Sacramento

A RESOLUTION OF THE BOARD OF THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO AUTHORIZING JOINT APPLICATION TO THE HOMEKEY PROGRAM

BACKGROUND

- A. WHEREAS, the Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA), dated July 16, 2020, for the Homekey Program (Homekey or Homekey Program). The Department has issued the NOFA for Homekey grant funds pursuant to Health and Safety Code section 50675.1.1 (Assem. Bill No. 83 (2019-2020 Reg. Sess.), § 21.).
- B. WHEREAS, the Housing Authority of the City of Sacramento (Co-Applicant) desires to jointly apply for Homekey grant funds with Mercy Housing California. Towards that end, Co-Applicant is joining Mercy Housing California in the submittal of an application for Homekey funds (Application) to the Department for review and consideration.
- C. WHEREAS, the Department is authorized to administer Homekey pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Homekey funding allocations are subject to the terms and conditions of the NOFA, the Application, the Department-approved STD 213, Standard Agreement (Standard Agreement), and all other legal requirements of the Homekey Program.
- D. WHEREAS, the proposed action does not constitute a project under the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15378(b)(4).
- E. WHEREAS, the proposed action is an exempt activity under the National Environmental Policy Act pursuant to 24 Code of Federal Regulations §58.34(a)(3).

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved and adopted.
- Section 2. Co-Applicant is hereby authorized and directed to submit a joint Application to the Department in response to the NOFA, dated July 16, 2020, and to jointly apply for up to \$14,100,000 for capital expenditures (as allowed under Health and Saf. Code, § 50675.1.1, subd. (a)(1)-(6)) and \$1,400,000 for a capitalized operating subsidy (as allowed under Health and Saf. Code, § 50675.1.1, subd. (a)(7)).
- Section 3. If the Application is approved, Co-Applicant is hereby authorized and directed to ensure that any funds awarded for capital expenditures are spent by December 30, 2020 and that any funds awarded for capitalized operating subsidies are spent by June 30, 2022.

- Section 4. If the Application is approved, Co-Applicant is hereby authorized and directed to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed \$15,500,000, any and all other documents required or deemed necessary or appropriate to secure the Homekey funds from the Department and to participate in the Homekey Program, and all amendments thereto (collectively, the Homekey Documents).
- Section 5. Co-Applicant acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.
- Section 5. La Shelle Dozier, Executive Director of Co-Applicant, or her designee, is authorized to execute the Application and the Homekey Documents on behalf of Co-Applicant for participation in the Homekey Program.
- Section 6. If the Application for funding is approved, the Housing Authority's budget is hereby amended to incorporate any Homekey funding up to \$15,500,000 for the acquisition, rehabilitation, and operation of a motel conversion to permanent supportive housing for unsheltered individuals and families.