



October 2, 2020

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

**Sacramento Housing and Redevelopment Agency Comprehensive Annual  
Financial Report (CAFR) For The Year Ended December 31, 2019**

RECOMMENDATION

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

Respectfully submitted,

  
Executive Director

Attachment



**REPORT TO COUNCIL AND  
HOUSING AUTHORITY  
City of Sacramento**  
915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Consent  
October 13, 2020**

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

**Title: Sacramento Housing and Redevelopment Agency Comprehensive Annual  
Financial Report (CAFR) For The Year Ended December 31, 2019**

**Location/Council District: Citywide**

**Recommendation: Receive and File**

**Contact:** Susana Jackson, Chief Financial Officer, Sacramento Housing and  
Redevelopment Agency, (916) 440-1373

**Department:** Sacramento Housing and Redevelopment Agency (SHRA)

**Description/Analysis**

**Issue:** The audit firm of Clifton Larson Allen LLP (CLA) has audited the basic financial statements of the Sacramento Housing and Redevelopment Agency (SHRA) and issued its unmodified (clean) opinion that these documents for the year ending December 31, 2019 are fairly presented in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America. The CAFR is presented in a standard format prescribed by the Government Finance Officers Association (GFOA).

The CAFR is organized into four major sections. First is the **Introductory Section** with a transmittal letter summarizing economic conditions, budget initiatives, and other related documents. Next is the **Financial Section** which is comprised of the Independent auditor's report and the Management Discussion and Analysis (MD&A), which provides a narrative overview of the financial statements and compares changes from year to year. The basic financial statements follow the MD&A and report the financial position and results of operations of SHRA as a whole and the financial performance of SHRA's governmental funds, proprietary funds and component units. Footnotes to the financial statements are included to provide additional information. The **Statistical Section** provides information on selected financial, demographic, and operating trend information. Lastly, the **Other Supplemental Information section** includes the Senate Bill 341-Low and Moderate Income Housing Asset Fund Report.

SHRA Comprehensive Annual Financial Report

The audit includes the following entities:

- Sacramento Housing and Redevelopment Agency
- Housing Authority of the City of Sacramento
- Housing Authority of the County of Sacramento
- Norwood Avenue Housing Corporation (NAHC)
- Sacramento Housing Authority Asset Repositioning Program, Inc. (SHARP)
- Sacramento Housing Development Corporation
  - Riverview Plaza Associates
- Shasta Hotel Corporation
  - Shasta Hotel Investors Partnership

**Policy Considerations:** There are no policy implications as a result of this informational report.

**Economic Impacts:** Not applicable.

**Environmental Considerations: California Environmental Quality Act (CEQA):** The proposed action is an administrative activity and is not considered a project under the California Environmental Quality Act (CEQA) per 14 California Code of Regulations (CCR) section 15378(b).

**Sustainability Considerations:** N/A

**Other:** The proposed action is an exempt activity pursuant to 24 Code of Federal Regulations (CFR) sections 58.34(a)(2) & (3) and further environmental review is not required under the National Environmental Policy Act (NEPA).

**Commission Action:** At its meeting of October 7, 2020, the Sacramento Housing and Redevelopment Commission received the attached report. No specific action was required.

**Rationale for Recommendation:** This item is for information only and no action is required.

**Financial Considerations:** This is an informational report only

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

Respectfully Submitted by:



LA SHELLE DOZIER  
Executive Director

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03	Norwood Audited Financial Statements 2019
04	SHARP Corporation Audited Financial Statements 2019



October 2, 2020

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

**Sacramento Housing and Redevelopment Agency Comprehensive Annual  
Financial Report (CAFR) For The Year Ended December 31, 2019**

RECOMMENDATION

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

Respectfully submitted,

  
Executive Director

Attachment

**COUNTY OF SACRAMENTO  
CALIFORNIA**

For the Agenda of:  
October 20, 2020

To: Board of Supervisors of the County of Sacramento  
Housing Authority of the County of Sacramento  
Sacramento Housing Development Corporation

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: Sacramento Housing And Redevelopment Agency  
Comprehensive Annual Financial Report For The Year  
Ended December 31, 2019

District(s): All

**RECOMMENDED ACTION**

This is an informational report only, receive and file.

**BACKGROUND**

The 2019 Comprehensive Annual Financial Report (CAFR) has been prepared to present the Sacramento Housing and Redevelopment Agency's (SHRA) financial condition and the results of its activities for the fiscal year ended December 31, 2019. An independent public accounting firm has audited the CAFR financial statements.

**DISCUSSION**

The audit firm of Clifton Larson Allen LLP (CLA) has audited the basic financial statements of SHRA and issued its unmodified (clean) opinion that the basic financial statements for the year ending December 31, 2019, are fairly presented in accordance with Generally Accepted Accounting Principles

(GAAP) in the United States of America. The CAFR is presented in a standard format prescribed by the Government Finance Officers Association (GFOA).

The CAFR is organized into four major sections. First is the **Introductory Section** with a transmittal letter summarizing economic conditions, budget initiatives, and other related documents. Next is the **Financial Section** which is comprised of the Independent auditor's report and the Management Discussion and Analysis (MD&A), which provides a narrative overview of the financial statements and compares changes from year to year. The basic financial statements follow the MD&A and report the financial position and results of operations of SHRA as a whole and the financial performance of SHRA's governmental funds, proprietary funds and component units. Footnotes to the financial statements are included to provide additional information. The **Statistical Section** provides information on selected financial, demographic, and operating trend information. Lastly, the **Other Supplemental Information** section includes the Senate Bill 341-Low and Moderate Income Housing Asset Fund Report.

The audit includes the following entities:

- Sacramento Housing and Redevelopment Agency
- Housing Authority of the City of Sacramento
- Housing Authority of the County of Sacramento
- Norwood Avenue Housing Corporation (NAHC)
- Sacramento Housing Authority Asset Repositioning Program, Inc. (SHARP)
- Sacramento Housing Development Corporation
  - Riverview Plaza Associates
- Shasta Hotel Corporation
  - Shasta Hotel Investors Partnership

### **COMMISSION ACTION**

At its meeting of October 7, 2020, the Sacramento Housing and Redevelopment Commission received the attached report. No specific action was required.

### **MEASURES/EVALUATIONS**

The audit firm of Macias Clifton Larson Allen LLP (CLA) has audited the basic financial statements of the Sacramento Housing and Redevelopment Agency (SHRA) and issued its unmodified (clean) opinion that the basic financial statements for the year ending December 31, 2019, are fairly presented in

accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America. The CAFR is presented in a standard format prescribed by the Government Finance Officers Association (GFOA).

### **POLICY CONSIDERATIONS**

There are no policy implications as a result of this informational report.

### **ENVIRONMENTAL REVIEW**

California Environmental Quality Act (CEQA): The proposed action is an administrative activity and it is not considered a project under the California Environmental Quality Act (CEQA) per 14 California Code of Regulations (CCR) section 15378(b).

National Environmental Policy Act (NEPA): The proposed action is an exempt activity pursuant to 24 Code of Federal Regulations (CFR) sections 58.34(a)(2) & (3) and further environmental review is not required under the National Environmental Policy Act (NEPA).

### **M/WBE AND SECTION 3 CONSIDERATIONS**

The items discussed in this report are informational only and therefore, there are no M/WBE or Section 3 requirements.

### **FINANCIAL ANALYSIS**

Informational report only.

Respectfully Submitted,

APPROVED  
NAVDEEP S. GILL,  
County Executive

  
LA SHELLE DOZIER, Executive Director  
Sacramento Housing and  
Redevelopment Agency

By: \_\_\_\_\_  
BRUCE WAGSTAFF  
Deputy County Executive



Sacramento Housing And Redevelopment Agency Comprehensive Annual  
Financial Report For The Year Ended December 31, 2019  
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Attachments:

ATT 1 – SHRA Comprehensive Annual Financial Report

ATT 2 – 2019 Norwood Audited Financial Statements

ATT 3 – 2019 SHARP Corporation Audited Financial Statements



October 2, 2020

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

**2020 CalHome Application for First-Time Homebuyer Mortgage Assistance**

RECOMMENDATION

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

Respectfully submitted,

  
Executive Director

Attachment



**REPORT TO CITY COUNCIL**  
**City of Sacramento**  
915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

Consent  
**October 13, 2020**

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

**Title: 2020 CalHome Application for First-Time Homebuyer Mortgage Assistance**

**Location/Council District: Citywide**

**Recommendation:** Adopt a Council Resolution authorizing the Sacramento Housing and Redevelopment Agency (Agency) to: 1) submit an application to the California Department of Housing and Community Development in the amount of \$2,750,000 for funding under the CalHome program; 2) execute a Standard Agreement for such funding and execute any related documents necessary to participate in the CalHome Program, and any amendments thereto; 3) adopt local CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines; and 4) amend the Agency Budget to receive and expend the \$2,750,000 in CalHome funding for the First-Time Homebuyer Mortgage Assistance Program.

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

**Presenters:** Not applicable

**Department:** Sacramento Housing and Redevelopment Agency

**Description/Analysis**

**Issue Detail:** The California Department of Housing and Community Development (HCD) announced a Notice of Funding Availability (NOFA) for the CalHome Program on August 31, 2020. HCD awards CalHome grants to eligible organizations for activities that support homeownership programs aimed at low and very-low income households. Applications under the NOFA are due to HCD no later than October 29, 2020. The funding for this NOFA is provided by the Veterans and Affordable Housing Bond Act of 2018.

In the recently released NOFA, the maximum application amount is \$5,000,000; the awarded funds must be expended within thirty-six months. The eligible activities for the CalHome funding under the current NOFA are:

- First-Time Homebuyer Mortgage Assistance
- Owner-Occupied Rehabilitation Assistance
- Technical Assistance for Self-Help Housing
- Technical Assistance for Share Housing Programs
- Accessory Dwelling Unit (ADU)/Junior Accessory Dwelling Unit (JADU) Assistance
- Homeownership Project Development Loans

In order to apply for an activity listed in the NOFA, the applicant must meet the experience requirement for that activity. In general, the experience requirement is a minimum of two years of program administration for the type of activity within the four years immediately preceding the application. The Agency has administered a First-Time Homebuyer Program since 1996 but has not administered an Owner Occupied Rehabilitation Program since 2012. The Agency has not administered Technical Assistance programs for Self-Help Housing or Share Housing, ADU/JADU Assistance Programs, or Homeownership Project Development Loans. As a result, in order to submit an application that meets the experience required in the NOFA, this report requests authorization to apply for CalHome Program funds in the amount of \$2,750,000 to use in a homebuyer assistance program. Funding from this program will assist approximately 50 low-income homebuyers to purchase their first home in targeted areas of the City.

The Agency has administered the CalHome Program on behalf of the City since 2001. With this program the Agency has assisted over 320 low-income homebuyers in the City to purchase their first home. The CalHome First-Time Homebuyer Mortgage Assistance Program provides down payment and mortgage assistance to low-income first-time homebuyers in the form of deferred payment loans. The assistance will be calculated at up to 20 percent of the purchase price, and can range from a minimum amount of \$10,000 to a maximum amount of \$50,000. The program imposes housing ratio guidelines to ensure the home being purchased is affordable to the homebuyer.

Exhibit A includes proposed program guidelines for the CalHome First-Time Homebuyer Mortgage Assistance Program.

#### Program Targeting

The Agency's application to HCD for CalHome funding will be rated and ranked based upon various evaluation criteria. Extra points will be awarded in the category of Community Revitalization if the application restricts the program to properties located within a federal Promise Zone, a Choice Neighborhood Initiative Area, or an Opportunity Zone. Due to the need to increase homeownership in these areas, the limited number of homebuyers that can be assisted with CalHome funds, and to make the application more competitive, staff recommends that the program be targeted to the eligible Community Revitalization areas. Please see Attachment 3, CalHome Target Area Map.

**Policy Considerations:** The actions requested in this report will allow the Agency to apply for CalHome Program funds to use in a First-Time Homebuyer Mortgage Assistance program and is consistent with Agency policies to increase homeownership opportunities. The CalHome First-Time Homebuyer Mortgage Assistance program will result in approximately 50 additional homeowners in the City, contributing to goals in the City's 2014-2021 Housing Element.

**Economic Impacts:** Not applicable

**Environmental Considerations:** The proposed action consists of an application to create or use a government funding mechanism, which is a financing mechanism, to provide purchasing assistance to low-income homebuyers for purchase of existing single family homes. The action does not commit to any specific project which may result in potentially significant impacts on the environment. As such, the proposed action does not constitute a project under CEQA per Guidelines Section 15378(b)(4).

**Sustainability Considerations:** Not applicable

**Other:** The National Environmental Policy Act (NEPA) does not apply.

**Commission Action:** *Sacramento Housing and Redevelopment Commission:* It is anticipated that, at its October 7th, 2020 meeting, the Sacramento Housing and Redevelopment Commission will approve the staff recommendation for this item. Staff will notify the Council in the event this does not occur.

**Rationale for Recommendation:** A successful CalHome application will provide funding for homebuyer assistance for approximately 50 low-income homebuyers in targeted areas of the City, increasing the level of homeownership in community revitalization areas.

**Financial Considerations:** In order to be competitive, the CalHome application will request \$2,750,000 in funding. The program includes funding to cover Activity Delivery Fees of up to ten (10) percent of the total grant amount, which is an offset to Agency staffing costs incurred in administering the CalHome Program. Loan repayments revolve into a CalHome reuse account which is used to fund future Agency loan programs for CalHome eligible activities.

**LBE - M/WBE and Section 3 requirements:** Local Business Enterprise (LBE) does not apply to this report. The items discussed in the report do not involve federal funding; therefore, there are no M/WBE or Section 3 requirements.

Respectfully Submitted by:

  
LA SHELLE DOZIER  
Executive Director

**Attachments**

1-Resolution

2-Exhibit A CalHome First-Time Homebuyer Program Guidelines

3-CalHome Target Area Map

# **RESOLUTION NO. 2020 -**

**Adopted by the Sacramento City Council**

on date of

## **AUTHORIZATION FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY TO APPLY FOR, ACCEPT, AND ADMINISTER THE CALHOME PROGRAM IN THE NAME OF AND ON BEHALF OF THE CITY OF SACRAMENTO; ADOPTION OF CALHOME GUIDELINES; RELATED BUDGET AMENDMENT; ENVIRONMENTAL FINDINGS**

### **BACKGROUND**

- A. The City of Sacramento, a California municipal corporation (City), wishes to apply for and receive an allocation of funds through the CalHome Program.
- B. The California Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability on August 31, 2020 (NOFA), for the CalHome Program established by Chapter 84, Statutes of 2000 (SB1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the Statute). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and
- C. The City, through its related entity, the Sacramento Housing and Redevelopment Agency (Agency), wishes to submit an application to HCD in the amount of \$2,750,000 for an allocation of CalHome funds to provide assistance to low-income homebuyers for purchase of single family homes.
- D. The proposed action does not constitute a project under CEQA pursuant to Guidelines Section 15378(b)(4). The National Environmental Policy Act (NEPA) does not apply.

### **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 adopted.

- Section 2. The City delegates authority to the Agency to submit an application to HCD on behalf of and in the name of the City to participate in the CalHome Program in response to the NOFA, and any amendments thereto, for a funding allocation of \$2,750,000 for First-Time Homebuyer Mortgage Assistance in targeted areas in the City as described in the CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines (Guidelines).
- Section 3. If the application for funding is approved, the City delegates authority to the Agency to receive funding from HCD on behalf of and in the name of the City and to administer the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program regulations cited above and the Guidelines.
- Section 4. The City authorizes the Agency to execute, on behalf of itself and the City, the application, HCD's Standard Agreement which governs the CalHome Program requirements and use of funding, and any and all other documents deemed necessary by the Agency or required by HCD for participation in the CalHome Program, as currently established in the applicable law and regulations, and any amendments thereto.
- Section 5. The City adopts the Guidelines. The Agency may make technical changes to the Guidelines as necessary for program implementation and in compliance with the CalHome Program.
- Section 6. If the application for funding is approved, the Agency's budget is hereby amended to incorporate the CalHome funding of up to \$2,750,000 for the First-Time Homebuyer Mortgage Assistance Program.

**Table of Contents:**

Exhibit A: CalHome First-Time Homebuyer Program Guidelines





# Fact Sheet

801 12<sup>TH</sup> STREET • SACRAMENTO, CA 95814 (916) 440-1393

## **CalHome First-Time Homebuyer Mortgage Assistance Program** 2020 CONTRACT PROGRAM GUIDELINES

<b>CalHome Program</b>	Sacramento Housing and Redevelopment Agency (Agency) has an allocation of State CalHome funds available for mortgage assistance to qualified borrowers. This funding is administered in accordance with guidelines adopted by the State Department of Housing and Community Development (HCD). Funds are provided to qualified households in the form of 30-year, deferred-payment second mortgages. The CalHome First-Time Homebuyer Mortgage Assistance loan helps buyers purchase homes by providing down payment assistance.
<b>Maximum Loan Amount</b>	The maximum loan shall not exceed the required amount of assistance needed to make the unit affordable to the homebuyer. The assistance will be calculated as follows:
<b>Calculation of Assistance</b>	<p>The amount of assistance will be calculated at 20 percent of the purchase price up to a maximum loan amount of \$50,000.</p> <p>Minimum loan amount will be \$10,000.</p>
<b>Interest Rate</b>	One percent fixed rate, simple. Principal and interest shall be deferred for the term of the loan.
<b>Term</b>	30 years
<b>Max CLTV</b>	The loan-to-value ratio for the CalHome Program loan, when combined with all other indebtedness to be secured by the property, shall not exceed 100 percent of the sales price plus a maximum of up to five percent of the sales price to cover actual closing costs.
<b>Use of Funds</b>	Funds may be used for down payment and mortgage assistance. The property must be owner occupied for the term of the CalHome loan.
<b>Applicant Eligibility</b> <b>First-Time Home Buyer</b>	<p>The applicant must be a first-time homebuyer which means a borrower(s) who has not owned a home during the three-year period prior to the purchase of a home with CalHome assistance. Applicant's Federal income tax returns will be used to verify compliance.</p> <p>The CalHome Regulation Section 7716(s) contains a provision for individuals who meet the definition of a displaced homemaker or single parent, or individuals who have owned a mobile home not permanently affixed to a permanent foundation to be considered eligible for the program.</p>
<b>Applicant Eligibility</b> <b>Household Income</b>	The qualifying income of CalHome applicant household must not exceed 80 percent of County median income for the size of the household. As published by HCD on April 30, 2020, the eligible

income limits are:

Household Size	80 percent of County median
1-person	\$48,350
2-person	\$55,250
3-person	\$62,150
4-person	\$69,050
5-person	\$74,600
6-person	\$80,100

Household size is determined by applicant declaration as to household size, with supporting documentation such as tax returns.

Qualifying Income  
(per 24 CFR Part 5)

Qualifying income is calculated by totaling gross income for all persons 18 years of age or older who will occupy the residence. The income is annualized forward over a twelve-month period. Income includes all salaries, wages, overtime and bonuses before payroll deductions. It also includes earnings from interest on savings and checking accounts, dividends, the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, public assistance, alimony, child support or regular gifts. Interest income, actual or imputed, from assets over \$5,000 will be included in qualifying income.

Eligibility vs. Lender Income

For program eligibility, the total annual income includes income of all adult members of the household.

For underwriting purposes, the lender shall use standard industry methods for determining the borrower's annual gross income. Note that the gross income figure calculated for income-eligibility purposes may vary substantially from the annual income a lender will use to underwrite the first mortgage.

Housing Debt Ratio

With the CalHome assistance, the homebuyer's monthly housing costs are to be affordable as evidenced by a monthly housing cost ratio (front end ratio) of no less than 28 percent of the borrower's gross monthly income and no more than 38 percent of the borrower's gross monthly income. The total debt ratio (back end ratio) may be determined by the lender's underwriting guidelines.

For FHA insured loans, the maximum homebuyer ratios are 29/41. These cannot be exceeded unless there are significant compensating factors.

Underwriting

The first mortgage lender will perform the underwriting using established credit guidelines for the particular mortgage program as determined by industry standards. The Agency will review the first mortgage underwriting as part of its eligibility analysis for the CalHome assistance and may require credit explanations or payoff of collection accounts if deemed necessary and prudent. Prior bankruptcies or foreclosures may be permitted with evidence of reestablished credit if allowed by lender's credit guidelines.

There may be no outstanding unpaid judgments or involuntary liens at the time the CalHome loan is recorded.

First Mortgage Restrictions

Borrower shall obtain the maximum first lien mortgage loan with a term and interest rate from a mortgage lender consistent with affordable housing costs outlined above.

The term of the loan shall be a minimum of 30 years.

Mortgage loans shall not include provisions for negative amortization, principal increases, balloon payments or deferred interest. Adjustable Rate Loans (ARM's) and Graduated Payment Loans (GPM's) are not

allowed. Interest rate buy downs are not allowed.

The first mortgage may be an FHA loan, conventional loan, or CalHFA financing.

Fees and charges to the borrower for the first mortgage loan shall be reasonable and must be approved by the CalHome lender.

The first mortgage lender is required to collect and manage impound accounts for payment of taxes, assessments and hazard insurance according to the lender's requirements.

**Subordinate Financing to the CalHome Loan**

Homebuyer mortgage assistance loans subordinate to the CalHome Program Loan are allowed provided the combined loan-to-value ratio does not exceed 100 percent of the sales price plus a maximum of up to five percent of the sales price to cover actual non-recurring closing costs.

Subordinate financing loans shall defer all principal and interest payments for the term of the CalHome Program loan. No balloon payments are allowed prior to the maturity date of the CalHome loan.

**Escrow Prohibitions**

Cash transactions and oral agreements outside of escrow are prohibited. Cash out of escrow to the borrower is limited to the amount deposited into escrow by the borrower and not needed for any lender-required minimum down payment. Borrower costs "Paid Outside Closing" are not reimbursable with cash out of escrow.

**Eligible Properties  
Maximum Sales Price**

Single family residences (including condominiums and half-plexes) in eligible areas of the City and unincorporated County of Sacramento. The property must meet minimum housing quality standards. An Agency inspection will be required.

The maximum allowable sales price of the assisted unit cannot exceed the current median sales price of a single family home in Sacramento County as posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. As of June 2020, the current median sales price for Sacramento County is \$417,000.

**Eligible Areas  
(CalHome Contract Funds only)**

In the City of Sacramento, the CalHome Program is limited to properties located within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone.

In the County of Sacramento, the CalHome Program is available only within the unincorporated areas. The program is not available in Citrus Heights, Elk Grove, Galt, Folsom, Isleton, or Rancho Cordova.

**Repayment of CalHome Loan**

Loans shall be repayable upon sale or transfer of the property, when the property ceases to be owner-occupied, or upon the CalHome Program Loan maturity date. The CalHome loan is not assumable.

**Hardship**

However, if it is determined by the recipient that repayment of the CalHome Program loan at the maturity date causes a hardship to the borrower, the borrower has two options:

- (A) Amending the note and deed of trust to defer repayment of the amount due at loan maturity, that is the original principal and the accrued interest, for up to an additional 30 years (at zero percent additional interest), this may be offered one time, or
- (B) Converting the debt at loan maturity, that is the original principal balance and any accrued interest, to an amortized loan, repayable in 15 years at zero percent additional interest.

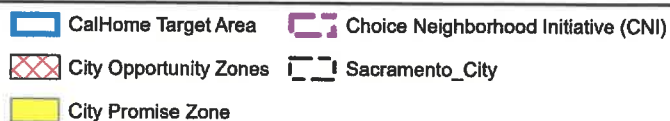
Refinancing	Refinancing may be allowed subject to the provisions of the Agency loan servicing /subordination policy. In general, "cash out" refinancing is prohibited by Agency policy.
Reuse Account	When CalHome loans are repaid, the funds are deposited into a "CalHome Reuse Account". Loans funded from this reuse account must be for CalHome program eligible activities, are not restricted to properties within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone. Funding priority will be given to eligible homebuyers in the Welcome Home Program and the Del Paso Nuevo V and VI developments.
Homebuyer Education	<p>All CalHome homebuyers must attend an in-person 8 hour HUD approved course of homebuyer education classes. The curriculum shall include, at a minimum, the following topics: 1). Preparing for Homeownership, 2). Available financing and credit analysis, 3). Loan closing and homebuyer responsibilities, 4). Home maintenance and loan servicing.</p> <p>The homebuyer education requirement may be met by taking the following classes:</p> <p><b>NeighborWorks Homeownership Center – Sacramento Region</b></p> <ul style="list-style-type: none"> <li>• Preparing for Homeownership – 8 hour course</li> </ul>
Application Procedures	To apply for the program, please contact any of the lenders on the Agency Approved Lender List. For additional information or questions call (916) 440-1393, or visit our web site at <a href="http://www.shra.org">www.shra.org</a> .



**Equal Housing Opportunity**

Area Includes Existing  
s, Promise Zone and  
lood Initiative Areas.

**CalHOME Target Area Includes Existing Opportunity Zones, Promise Zone and Choice Neighborhood Initiative Areas.**



SHRA GIS  
December 9, 2019

## **RESOLUTION NO. SHRC-\_\_\_\_\_**

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

October 7, 2020

### **AUTHORIZATION FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY TO APPLY FOR, ACCEPT, AND ADMINISTER THE CALHOME PROGRAM IN THE NAME OF AND ON BEHALF OF THE CITY AND THE COUNTY OF SACRAMENTO; ADOPTION OF CALHOME GUIDELINES; RELATED BUDGET AMENDMENT; ENVIRONMENTAL FINDINGS**

WHEREAS, the City of Sacramento, a California municipal corporation (City and the County of Sacramento, a political subdivisions of the State of California (County), wish to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, the California Department of Housing and Community Development ("HCD") has issued a Notice of Funding Availability on August 31, 2020 ("NOFA"), for the CalHome Program established by Chapter 84, Statutes of 2000 (SB1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and

WHEREAS, the City and the County, through its agent, the Sacramento Housing and Redevelopment Agency ("Agency"), each wish to submit an application to obtain from HCD an allocation of CalHome funds in the amount of \$2,750,000; and

WHEREAS, the proposed action is approval of the Agency's submission of an application for funds to be used under the statutory requirements of the CalHome Program to provide purchasing assistance to low-income home buyers for purchase of single family homes which have previously been constructed or are in projects that have already been reviewed under CEQA, approved, and are under construction. The action does not commit to any specific project which may result in potentially significant impacts on the environment. As such, the proposed action does not constitute a project under CEQA per Guidelines Section 15378(b) (4). The National Environmental Policy Act (NEPA) does not apply.

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

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 adopted.

Section 2. Upon delegation of appropriate authority from the City and the County and on behalf of and in the name of the City and the County, the Executive Director, or her designee, is authorized and directed to submit an application to HCD to participate in the CalHome Program in response to the NOFA, and amendments thereto, which will request a funding allocation for the City and for the County as described in the staff reports for the following eligible activity in each jurisdiction:

- First-Time Homebuyer Mortgage Assistance \$2,750,000

Section 3. If the applications for funding are approved, the Executive Director is thereafter authorized to receive funding from HCD in the amount of \$2,750,000 for each jurisdiction on behalf of and in the name of the Agency, and the City or the County, as appropriate, and to administer CalHome funds for eligible activities in the manner presented in the applications as approved by HCD and in accordance with program regulations cited above.

Section 4. If the applications for funding are approved, the Executive Director of the Agency, or her designee, shall execute, on behalf of the City and the County and in the name of the City and the County as HCD requires, the application, the Standard Agreement, and any and all other documents deemed necessary by the Executive Director or required by HCD for participation in the CalHome Program, as currently established in the applicable law and regulations, and any amendments thereto.

Section 5. The CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines as described in attachments to the staff reports (Guidelines) are adopted. The Executive Director of the Agency is obligated to comply with these Guidelines in administration of the CalHome Program funding on behalf of the City and the County, and the Executive Director of the Agency may make technical changes to these Guidelines as necessary for program implementation in compliance with the applicable laws and regulations.

Section 6. If the application for funding is approved, the Agency's Budget is hereby amended to incorporate the CalHome funding of up to \$2,750,000 in both the City and the County for the First-Time Homebuyer Mortgage Assistance Program.

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CHAIR

ATTEST:

---

CLERK



October 2, 2020

Sacramento Housing and  
Redevelopment Commission  
Sacramento, CA

Honorable Members in Session:

SUBJECT:

**2020 CalHome Application for First-Time Homebuyer Mortgage Assistance**

RECOMMENDATION

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

Respectfully submitted,

  
Executive Director

Attachment



# **COUNTY OF SACRAMENTO CALIFORNIA**

For the Agenda of:  
October 20, 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: Approval Of 2020 CalHome Application  
  
District(s): All

## **RECOMMENDED ACTION**

This report recommends approval of the attached Board of Supervisors Resolution authorizing the Sacramento Housing and Redevelopment Agency (Agency) to 1) submit an application to the California Department of Housing and Community Development (HCD) in the amount of \$2,750,000 for funding under the CalHome Program; 2) execute a Standard Agreement for such funding and any related documents necessary to participate in the CalHome Program, and any amendments thereto; 3) adopt local CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines; and 4) amend the Agency budget to receive and expend the \$2,750,000 in CalHome funding for the First-Time Homebuyer Mortgage Assistance activity.

## **BACKGROUND**

The California Department of Housing and Community Development (HCD) announced a Notice of Funding Availability (NOFA) for the CalHome Program on August 31, 2020. HCD awards CalHome grants to eligible organizations for activities that support homeownership programs aimed at low and very-low income households. Applications under the NOFA are due to HCD no later than October 29, 2020. The funding for this NOFA is provided by the Veterans and Affordable Housing Bond Act of 2018.

In the recently released NOFA, the maximum application amount is \$5,000,000; the awarded funds must be expended within thirty-six months. The eligible activities for the CalHome funding under the current NOFA are:

- First-Time Homebuyer Mortgage Assistance
- Owner-Occupied Rehabilitation Assistance
- Technical Assistance for Self-Help Housing
- Technical Assistance for Share Housing Programs
- Accessory Dwelling Unit (ADU)/Junior Accessory Dwelling Unit (JADU) Assistance
- Homeownership Project Development Loans

In order to apply for an activity listed in the NOFA, the applicant must meet the experience requirement for that activity. In general, the experience requirement is a minimum of two years of program administration for the type of activity within the four years immediately preceding the application. The Agency has administered a First-Time Homebuyer Program since 1996, but has not administered an Owner Occupied Rehabilitation Program since 2012. The Agency has not administered Technical Assistance programs for Self-Help Housing or Share Housing, ADU/JADU Assistance Programs, or Homeownership Project Development Loans. As a result, in order to submit an application that meets the experience required in the NOFA, this report requests authorization to apply for CalHome Program funds in the amount of \$2,750,000 to use in a homebuyer assistance program. Funding from this program will assist approximately 50 low-income homebuyers to purchase their first home in the unincorporated areas of the County.

The Agency has administered the CalHome Program Mortgage Assistance Program on behalf of the County since 2001. Through this program the Agency has assisted over 230 low-income buyers in the unincorporated County to purchase their first home. If CalHome funds are received, the First-Time Homebuyer Mortgage Assistance Program will provide down payment and mortgage assistance to low-income, first-time homebuyers in the form of deferred payment loans. The assistance will be calculated at up to 20 percent of the purchase price, and will range from a minimum amount of \$10,000 to a maximum amount of \$50,000. The program imposes housing ratio guidelines to ensure the home being purchased is affordable to the homebuyer. Attachment 1 includes additional information on CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines.

### **COMMISSION ACTION**

At its meeting of October 7, 2020, the Sacramento Housing and Redevelopment Commission will consider the staff recommendation for this item. Staff will notify the Board in the event the item is not approved.

### **POLICY CONSIDERATIONS**

The actions requested in this report will allow the Agency to apply for CalHome Program funds to use in a First-Time Homebuyer Mortgage Assistance program and is consistent with Agency policies to increase homeownership opportunities within the unincorporated areas of the County. The CalHome First-Time Homebuyer Mortgage Assistance program will provide assistance to approximately 50 additional homeowners in the County, and is consistent with the County's 2013-2020 Housing Element goals to create and preserve affordable housing stock.

### **ENVIRONMENTAL REVIEW**

The proposed action consists of an application to create or use a government funding mechanism, which is a financing mechanism, to provide purchasing assistance to low-income homebuyers for purchase of existing single family homes. The action does not commit to any specific project which may result in potentially significant impacts on the environment. As such, the proposed action does not constitute a project under CEQA per Guidelines Section 15378(b)(4). The National Environmental Policy Act (NEPA) does not apply.

### **M/WBE/SECTION 3 CONSIDERATIONS**

The items discussed in the staff report do not involve federal funding; therefore, there are no M/WBE or Section 3 requirements.

### **FINANCIAL ANALYSIS**

In order to be competitive, the CalHome application will request \$2,750,000 in funding. The program includes funding to cover Activity Delivery Fees of up to ten (10) percent of the total grant amount, which is an offset to Agency staffing costs incurred in administering the CalHome Program. Loan repayments revolve into a CalHome reuse account which will be used to fund future Agency loan programs for CalHome eligible activities.

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 – CalHome First-Time Homebuyer Program Guidelines

## **RESOLUTION NO.**

### **AUTHORIZATION FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY TO APPLY FOR, ACCEPT, AND ADMINISTER THE CALHOME PROGRAM IN THE NAME OF AND ON BEHALF OF THE COUNTY OF SACRAMENTO; ADOPTION OF CALHOME GUIDELINES; RELATED BUDGET AMENDMENT; ENVIRONMENTAL FINDINGS**

**WHEREAS**, the County of Sacramento, a political subdivision of the State of California (County), wishes to apply for and receive an allocation of funds through the CalHome Program; and

**WHEREAS**, the California Department of Housing and Community Development (HCD) has issued a Notice of Funding Availability on August 31, 2020 (NOFA) for the CalHome Program established by Chapter 84, Statutes of 2000 (SB1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the Statute). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and

**WHEREAS**, the County, by its agent, the Sacramento Housing and Redevelopment Agency (Agency), wishes to submit an application to obtain from HCD an allocation of CalHome funds in the amount of \$2,750,000; and

**WHEREAS**, the proposed action does not constitute a project under CEQA pursuant to Guidelines Section 15378(b)(4). The National Environmental Policy Act (NEPA) does not apply.

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

Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated above, are found to be true and accurate and are hereby approved adopted.

Section 2: The County delegates authority to the Agency to submit an application to HCD on behalf of and in the name of the County to participate in the CalHome Program in response to the NOFA, and any amendments thereto, which will request a funding allocation of \$2,750,000 for First-Time Homebuyer Mortgage Assistance in the unincorporated areas of the County as described in the CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines, (Guidelines).

Section 3. If the application for funding is approved, the County delegates authority to the Agency to receive funding from HCD on behalf of and in the name of the County and to administer the CalHome funds for eligible activities in the manner presented in the application as approved by HCD and in accordance with program regulations cited above.

Section 4. The County authorizes the Agency to execute, on behalf of itself and the County, the application, HCD's Standard Agreement which governs the CalHome Program requirements and use of funding, and any and all other documents deemed necessary by the Agency or required by HCD for participation in the CalHome Program, as currently established in the applicable law and regulations, and any amendments thereto.

Section 5. The County adopts the Guidelines as described in Attachment I. The Agency may make technical changes to the Guidelines as necessary for program implementation and in compliance with the CalHome Program.

Section 6. If the application for funding is approved, the Agency's budget is hereby amended to incorporate the CalHome funding of up to \$2,750,000 for the First-Time Homebuyer Mortgage Assistance Program.

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 20<sup>th</sup> day of October, 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



# Fact Sheet

801 12<sup>TH</sup> STREET • SACRAMENTO, CA 95814 (916) 440-1393

## **CalHome First-Time Homebuyer Mortgage Assistance Program** 2020 CONTRACT PROGRAM GUIDELINES

<b>CalHome Program</b>	Sacramento Housing and Redevelopment Agency (Agency) has an allocation of State CalHome funds available for mortgage assistance to qualified borrowers. This funding is administered in accordance with guidelines adopted by the State Department of Housing and Community Development (HCD). Funds are provided to qualified households in the form of 30-year, deferred-payment second mortgages. The CalHome First-Time Homebuyer Mortgage Assistance loan helps buyers purchase homes by providing down payment assistance.
<b>Maximum Loan Amount</b>	The maximum loan shall not exceed the required amount of assistance needed to make the unit affordable to the homebuyer. The assistance will be calculated as follows:
<b>Calculation of Assistance</b>	<p>The amount of assistance will be calculated at 20 percent of the purchase price up to a maximum loan amount of \$50,000.</p> <p>Minimum loan amount will be \$10,000.</p>
<b>Interest Rate</b>	One percent fixed rate, simple. Principal and interest shall be deferred for the term of the loan.
<b>Term</b>	30 years
<b>Max CLTV</b>	The loan-to-value ratio for the CalHome Program loan, when combined with all other indebtedness to be secured by the property, shall not exceed 100 percent of the sales price plus a maximum of up to five percent of the sales price to cover actual closing costs.
<b>Use of Funds</b>	Funds may be used for down payment and mortgage assistance. The property must be owner occupied for the term of the CalHome loan.
<b>Applicant Eligibility First-Time Home Buyer</b>	<p>The applicant must be a first-time homebuyer which means a borrower(s) who has not owned a home during the three-year period prior to the purchase of a home with CalHome assistance. Applicant's Federal income tax returns will be used to verify compliance.</p> <p>The CalHome Regulation Section 7716(s) contains a provision for individuals who meet the definition of a displaced homemaker or single parent, or individuals who have owned a mobile home not permanently affixed to a permanent foundation to be considered eligible for the program.</p>
<b>Applicant Eligibility Household Income</b>	The qualifying income of CalHome applicant household must not exceed 80 percent of County median income for the size of the household. As published by HCD on April 30, 2020, the eligible



income limits are:

Household Size	80 percent of County median
1-person	\$48,350
2-person	\$55,250
3-person	\$62,150
4-person	\$69,050
5-person	\$74,600
6-person	\$80,100

Household size is determined by applicant declaration as to household size, with supporting documentation such as tax returns.

**Qualifying Income  
(per 24 CFR Part 5)**

Qualifying income is calculated by totaling gross income for all persons 18 years of age or older who will occupy the residence. The income is annualized forward over a twelve-month period. Income includes all salaries, wages, overtime and bonuses before payroll deductions. It also includes earnings from interest on savings and checking accounts, dividends, the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, public assistance, alimony, child support or regular gifts. Interest income, actual or imputed, from assets over \$5,000 will be included in qualifying income.

**Eligibility vs. Lender Income**

For program eligibility, the total annual income includes income of all adult members of the household.

For underwriting purposes, the lender shall use standard industry methods for determining the borrower's annual gross income. Note that the gross income figure calculated for income-eligibility purposes may vary substantially from the annual income a lender will use to underwrite the first mortgage.

**Housing Debt Ratio**

With the CalHome assistance, the homebuyer's monthly housing costs are to be affordable as evidenced by a monthly housing cost ratio (front end ratio) of no less than 28 percent of the borrower's gross monthly income and no more than 38 percent of the borrower's gross monthly income. The total debt ratio (back end ratio) may be determined by the lender's underwriting guidelines.

For FHA insured loans, the maximum homebuyer ratios are 29/41. These cannot be exceeded unless there are significant compensating factors.

**Underwriting**

The first mortgage lender will perform the underwriting using established credit guidelines for the particular mortgage program as determined by industry standards. The Agency will review the first mortgage underwriting as part of its eligibility analysis for the CalHome assistance and may require credit explanations or payoff of collection accounts if deemed necessary and prudent. Prior bankruptcies or foreclosures may be permitted with evidence of reestablished credit if allowed by lender's credit guidelines.

There may be no outstanding unpaid judgments or involuntary liens at the time the CalHome loan is recorded.

**First Mortgage Restrictions**

Borrower shall obtain the maximum first lien mortgage loan with a term and interest rate from a mortgage lender consistent with affordable housing costs outlined above.

The term of the loan shall be a minimum of 30 years.

Mortgage loans shall not include provisions for negative amortization, principal increases, balloon payments or deferred interest. Adjustable Rate Loans (ARM's) and Graduated Payment Loans (GPM's) are not

allowed. Interest rate buy downs are not allowed.

The first mortgage may be an FHA loan, conventional loan, or CalHFA financing.

Fees and charges to the borrower for the first mortgage loan shall be reasonable and must be approved by the CalHome lender.

The first mortgage lender is required to collect and manage impound accounts for payment of taxes, assessments and hazard insurance according to the lender's requirements.

**Subordinate Financing to the CalHome Loan**

Homebuyer mortgage assistance loans subordinate to the CalHome Program Loan are allowed provided the combined loan-to-value ratio does not exceed 100 percent of the sales price plus a maximum of up to five percent of the sales price to cover actual non-recurring closing costs.

Subordinate financing loans shall defer all principal and interest payments for the term of the CalHome Program loan. No balloon payments are allowed prior to the maturity date of the CalHome loan.

**Escrow Prohibitions**

Cash transactions and oral agreements outside of escrow are prohibited. Cash out of escrow to the borrower is limited to the amount deposited into escrow by the borrower and not needed for any lender-required minimum down payment. Borrower costs "Paid Outside Closing" are not reimbursable with cash out of escrow.

**Eligible Properties  
Maximum Sales Price**

Single family residences (including condominiums and half-plexes) in eligible areas of the City and unincorporated County of Sacramento. The property must meet minimum housing quality standards. An Agency inspection will be required.

The maximum allowable sales price of the assisted unit cannot exceed the current median sales price of a single family home in Sacramento County as posted at the California Association of Realtors website at <https://www.car.org/en/marketdata/data/countysalesactivity>. As of June 2020, the current median sales price for Sacramento County is \$417,000.

**Eligible Areas  
(CalHome Contract Funds only)**

In the City of Sacramento, the CalHome Program is limited to properties located within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone.

In the County of Sacramento, the CalHome Program is available only within the unincorporated areas. The program is not available in Citrus Heights, Elk Grove, Galt, Folsom, Isleton, or Rancho Cordova.

**Repayment of CalHome Loan**

Loans shall be repayable upon sale or transfer of the property, when the property ceases to be owner-occupied, or upon the CalHome Program Loan maturity date. The CalHome loan is not assumable.

**Hardship**

However, if it is determined by the recipient that repayment of the CalHome Program loan at the maturity date causes a hardship to the borrower, the borrower has two options:

- (A) Amending the note and deed of trust to defer repayment of the amount due at loan maturity, that is the original principal and the accrued interest, for up to an additional 30 years (at zero percent additional interest), this may be offered one time, or
- (B) Converting the debt at loan maturity, that is the original principal balance and any accrued interest, to an amortized loan, repayable in 15 years at zero percent additional interest.

#### Refinancing

Refinancing may be allowed subject to the provisions of the Agency loan servicing /subordination policy. In general, "cash out" refinancing is prohibited by Agency policy.

#### Reuse Account

When CalHome loans are repaid, the funds are deposited into a "CalHome Reuse Account". Loans funded from this reuse account must be for CalHome program eligible activities, are not restricted to properties within a federal Promise Zone or a Choice Neighborhood Initiative Area or an Opportunity Zone. Funding priority will be given to eligible homebuyers in the Welcome Home Program and the Del Paso Nuevo V and VI developments.

#### Homebuyer Education

All CalHome homebuyers must attend an in-person 8 hour HUD approved course of homebuyer education classes. The curriculum shall include, at a minimum, the following topics: 1). Preparing for Homeownership, 2). Available financing and credit analysis, 3). Loan closing and homebuyer responsibilities, 4). Home maintenance and loan servicing.

The homebuyer education requirement may be met by taking the following classes:

#### **NeighborWorks Homeownership Center – Sacramento Region**

- Preparing for Homeownership – 8 hour course

#### Application Procedures

To apply for the program, please contact any of the lenders on the Agency Approved Lender List. For additional information or questions call (916) 440-1393, or visit our web site at [www.shra.org](http://www.shra.org).



**Equal Housing Opportunity**

## **RESOLUTION NO. SHRC-\_\_\_\_\_**

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

October 7, 2020

### **AUTHORIZATION FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY TO APPLY FOR, ACCEPT, AND ADMINISTER THE CALHOME PROGRAM IN THE NAME OF AND ON BEHALF OF THE CITY AND THE COUNTY OF SACRAMENTO; ADOPTION OF CALHOME GUIDELINES; RELATED BUDGET AMENDMENT; ENVIRONMENTAL FINDINGS**

WHEREAS, the City of Sacramento, a California municipal corporation (City and the County of Sacramento, a political subdivisions of the State of California (County), wish to apply for and receive an allocation of funds through the CalHome Program; and

WHEREAS, the California Department of Housing and Community Development ("HCD") has issued a Notice of Funding Availability on August 31, 2020 ("NOFA"), for the CalHome Program established by Chapter 84, Statutes of 2000 (SB1656 Alarcon), and codified in Chapter 6 (commencing with Section 50650) of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the CalHome Program, subject to the terms and conditions of the Statute and the CalHome Program Regulations adopted by HCD in April 2004; and

WHEREAS, the City and the County, through its agent, the Sacramento Housing and Redevelopment Agency ("Agency"), each wish to submit an application to obtain from HCD an allocation of CalHome funds in the amount of \$2,750,000; and

WHEREAS, the proposed action is approval of the Agency's submission of an application for funds to be used under the statutory requirements of the CalHome Program to provide purchasing assistance to low-income home buyers for purchase of single family homes which have previously been constructed or are in projects that have already been reviewed under CEQA, approved, and are under construction. The action does not commit to any specific project which may result in potentially significant impacts on the environment. As such, the proposed action does not constitute a project under CEQA per Guidelines Section 15378(b) (4). The National Environmental Policy Act (NEPA) does not apply.

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

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 adopted.

Section 2. Upon delegation of appropriate authority from the City and the County and on behalf of and in the name of the City and the County, the Executive Director, or her designee, is authorized and directed to submit an application to HCD to participate in the CalHome Program in response to the NOFA, and amendments thereto, which will request a funding allocation for the City and for the County as described in the staff reports for the following eligible activity in each jurisdiction:

- First-Time Homebuyer Mortgage Assistance \$2,750,000

Section 3. If the applications for funding are approved, the Executive Director is thereafter authorized to receive funding from HCD in the amount of \$2,750,000 for each jurisdiction on behalf of and in the name of the Agency, and the City or the County, as appropriate, and to administer CalHome funds for eligible activities in the manner presented in the applications as approved by HCD and in accordance with program regulations cited above.

Section 4. If the applications for funding are approved, the Executive Director of the Agency, or her designee, shall execute, on behalf of the City and the County and in the name of the City and the County as HCD requires, the application, the Standard Agreement, and any and all other documents deemed necessary by the Executive Director or required by HCD for participation in the CalHome Program, as currently established in the applicable law and regulations, and any amendments thereto.

Section 5. The CalHome First-Time Homebuyer Mortgage Assistance Program Guidelines as described in attachments to the staff reports (Guidelines) are adopted. The Executive Director of the Agency is obligated to comply with these Guidelines in administration of the CalHome Program funding on behalf of the City and the County, and the Executive Director of the Agency may make technical changes to these Guidelines as necessary for program implementation in compliance with the applicable laws and regulations.

Section 6. If the application for funding is approved, the Agency's Budget is hereby amended to incorporate the CalHome funding of up to \$2,750,000 in both the City and the County for the First-Time Homebuyer Mortgage Assistance Program.

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CHAIR

ATTEST:

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CLERK



October 7, 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**

Sacramento Housing and Redevelopment Commission

October 7, 2020

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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](http://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.

## **SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY**

Sacramento Housing and Redevelopment Commission

October 7, 2020

Page 3

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 SHELLE DOZIER  
Executive Director



## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Sacramento Housing and Redevelopment Commission

October 7, 2020

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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](http://www.shra.org)

Attachment 8-11 are attached to this report

# **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, including washing vehicles, **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.**



**Sacramento Resident  
Advisory Board**

REPRESENTING SHRA TENANTS IN THE CITY OF SACRAMENTO AND THE COUNTY OF SACRAMENTO

---

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501(c)(3) TAX ID:  
26-3123191

September 2, 2020

SHRA  
801 12<sup>th</sup> Street  
Sacramento, CA 95814

**COMMITTEES:**

RE: Proposed 2021 Annual Plan

ALDER GROVE

ARDEN VILLA

BIG TREES

CAPITOL TERRACE

COLONIAL HEIGHTS

CORAL GABLES

COMSTOCK

CREEK SIDE

CRYSTAL GARDENS

EDGE WATER

GIBSON OAKS

GRAN CASA LINDA

LINCOLN MANOR

LITTLE BELL

MARINA VISTA

PARADISE MANOR

PINE KNOLL

SHERMAN OAKS

TWIN RIVERS

WILLIAM LAND VILLA

SHARP PROPERTIES

Dear Sirs;

We provide this letter of support for the Proposed 2021 Annual Plan (ACOP & Admin Plan) updates.

The SRAB board, as the jurisdiction wide resident council, voted unanimously to issue a letter of support for these proposed changes to the Annual Plan. We have no challenges to the proposed changes. We appreciate the opportunity to give input and thank staff for incorporating our suggestions. It is our desire that SHRA act as needed to secure adequate funding to keep their housing stock well maintained.

Please forward our support to the Commission.

Thank you. \_\_\_\_\_

\_\_\_\_\_  
*Gale Morgan* President  
*Barbara Stanton* Vice President  
*Anthony Mann* Vice President  
*Dolores Flores-Dixon* Treasurer

**LEGAL SERVICES**  
of  
**NORTHERN CALIFORNIA**

September 2, 2020

Sacramento Housing and Redevelopment Commission  
630 I Street  
Sacramento, CA 95814

*Submitted via e-mail to vsmith@shra.org*

**Re: Comments on 2021 Draft Annual Plans for the Housing Authority of the City and County of Sacramento**

Dear Honorable Members in Session:

Legal Services of Northern California provides legal assistance to low-income families throughout Sacramento County. We respectfully submit the following comments in response to the request for public comment issued by the Agency regarding the draft 2020 Housing Choice Voucher (HCV) Administrative Plan (Administrative Plan) and the Draft 2020 Admissions and Continued Occupancy Policy (ACOP).<sup>1</sup>

During the comment period, we met and corresponded with Agency staff to discuss the Draft Administrative Plan and ACOP. As a result of this collaboration, staff answered many of our questions and addressed a variety of our concerns and we understand are still in the process of addressing some of our comments. We continue to appreciate this opportunity as well as the time and hard work Agency staff put into the drafts and into addressing our comments and concerns.

The comments below are a summary of most of the issues we discussed and agreed on, as well as any remaining issues not yet resolved, that we believe are resolved but await confirmation, and/or that we have agreed to disagree on. We included the items agreed upon this year at the request of staff. We are happy to continue to work with Agency staff as the drafts are finalized in the coming weeks.

**Administrative Plan**

**Chapter 2: Eligibility for Admission**

LSNC suggested adding a sentence on page 2-6 to make it explicit that live-in aides may live in the unit with their spouse/partner and children so long as they continue to meet occupancy standards, in accordance with fair housing laws. SHRA agreed to make this change.

<sup>1</sup> Our comments pertain to both the ACOP for the City and the ACOP for the County, but the specific page references are to the ACOP for the City.

On page 2-13, SHRA agreed to cite to the most recent HUD VAWA Notice: PIH Notice 2017-08.

### **Chapter 3: Applying for Admission**

On page 3-4, LSNC suggested adding an option for a virtual or phone interview for the duration of the governor's state of emergency. SHRA agreed to this change.

### **Chapter 4: Establishing Preferences and Maintaining the Tenant-based Voucher Wait List**

On page 4-4, LSNC suggested removing the sentence in the Lease In-Place section that states "Where the landlord will certify they will accept the HCV program." SB329, effective January 1, 2020, prohibits discrimination based on source of income and includes vouchers. SHRA's position is that landlords can reject HCV for other reasons such as rent that is above the payment standard, or inability to keep the unit at HQS. However, LSNC maintains that in the context of a tenant who is leasing in-place, the landlord no longer has the option to reject the family due to their voucher. The language could be changed to reflect this.

On page 4-5, LSNC suggested adding a secondary contact method in the event of a wait-list purge. SHRA agreed to add an additional attempt to contact the applicant family by email.

### **Chapter 5: Subsidy Standards**

On page 5-2, SHRA agreed to add an additional option for adult children under 24 years of age who left only to attend school to come back into the household with verification that their university is engaged in online or distance learning.

### **Chapter 6: Factors Related to Total Tenant Payment and Family Share Determination**

On page 6-11 and 6-12, LSNC suggested adding a sentence in either Section J or Section L that states: "Loans are not counted as income because they are required to be paid back." SHRA stated that they already do not count loans as income and will not add it to the Plan, because they don't list every kind of excluded income. LSNC maintains that the addition of this sentence would make it more clear to staff and families that they can take out a loan without it affecting their payment amount. Further, the Plan does cover some types of excluded income, such as lump sums, and could add this for clarification without having to list every type of excluded income.

### **Chapter 8: Voucher Issuance and Briefings**

On page 8-4, SHRA agreed to add "source of income" to the examples of a legally protected class.

### **Chapter 9: Request for Tenancy Approval and Contract Execution**

On page 9-4, SHRA agreed to add to the Rent limitations paragraph: "The PHA will consider any applicable state and local laws, including the California Penal Code Section 396."

#### **Chapter 10: Housing Quality Standard Inspections**

SHRA offers extensions for repairs to bring the unit up to HQS to owners, but does not offer those same options to tenants when HQS violations are tenant-fail items. SHRA agreed to add the paragraph on page 10-7 to the tenant-fail section as well, to allow families the same options for extensions if needed.

#### **Chapter 11: Owner Rents, Rent Reasonableness and Payment Standards**

On page 11-14, SHRA agreed to add to the section on contract rent increases that the PHA will consider whether the rent increase violates applicable state and local laws such as Penal Code Section 396, which limits rent increases during a declared state of emergency.

#### **Chapter 14: Contract Terminations**

On page 14-2 in the foreclosures section, LSNC suggested removing the sunset date of December 31, 2019 because the law still applies. SHRA is still researching this, but stated they would agree to the change as long as the law is still in effect.

#### **Chapter 15: Denial or Termination of Assistance**

SHRA agreed to delete the sentence that states "reasonable cause to believe" on page 15-3 regarding other criminal activity and change the sentence to read "...where the PHA determines the person is or has been involved in..."

On page 15-5, LSNC suggested changing the "The PHA will" to "The PHA may" because the PHA is required to consider mitigating circumstances prior to termination. SHRA agreed to change the sentence to read "The PHA will propose termination," which initiates the termination process and prompts the PHA to consider mitigating circumstances.

On page 15-6, LSNC suggested suspending discretionary terminations for 90 days past the expiration of the governor's declared state of emergency for COVID-19. SHRA stated that it is currently doing this pursuant to a HUD waiver but will not extend it into the 2021 Administrative Plan at this time. LSNC notes that SHRA could continue to suspend *discretionary* terminations throughout the state of emergency to keep vulnerable folks housed and recommends that it do so.

Regarding terminations for missed appointments and deadlines on page 15-3, LSNC proposes to continue suspending terminations for failure to recertify or supply necessary documents through the state of emergency. SHRA stated they can only do so through the duration of the HUD waiver, which currently expires December 31, 2020. Given that the pandemic is unlikely



to be over on January 1, 2021, LSNC hopes SHRA will request an extension from HUD for this waiver.

#### **Chapter 24: Reasonable Accommodation Policy and Procedures**

On page 24-2, SHRA agreed to make this language consistent with the ACOP with one addition so that it will read: "must provide written verification that the specific accommodation requested is due to the disability...." They are not required to use a specific form to make such requests and must accept any form provided from a qualified third party. However, the PHA has a standard RA request form available in order to help expedite these requests.

#### **Chapter 27: Language Access Plan**

LSNC commented that several of the notices that are pre-requisite to a proposed termination must be translated to afford families due process. SHRA stated they are considering putting an option at the bottom of these forms with a number for the family to call to have the form be read to them in the language of their choice.

#### **Chapter 28: Violence Against Women Act and Domestic Violence**

SHRA agreed to change the definition of stalking and sexual assault on page 28-2 to match the definition in PIH 2017-08, as the current definition is outdated. SHRA also agreed to add examples of what adverse factors that might be the direct result of domestic violence to this section.

Because PIH 2017-08 requires PHAs to accept verbal verification of domestic violence, LSNC suggested the following: "The VAWA Final Rule clarifies that PHAs and owners are not required to ask for documentation when an individual presents a claim for VAWA protections; the PHA or owner may instead choose to provide benefits to an individual based solely on the individual's verbal statement or other corroborating evidence. HUD recommends that PHAs and owners develop written policies for how and under what circumstances a verbal statement will be accepted." SHRA declined to add this language, but LSNC still believes a policy for verbal verification is required by the HUD Notice.

Finally, LSNC suggested adding more specificity to the confidentiality policies. SHRA stated it is already PHA policy to keep participant information confidential, and to not leave voicemails with any identifying information, so they will not update this policy.

### **ACOP**

#### **Chapter 2: Eligibility for Admission**

At page 2-15, LSNC requested and SHRA agreed to add "sexual assault" to the list of those survivors that will not be denied admission, if otherwise eligible, as required by the Violence Against Women Act (VAWA).

At page 2-18, LSNC requested and SHRA agreed to add language that would not preclude admission for those who were unable to pay rent due to the impacts of the pandemic. SHRA agreed to add the following language:

"The PHA will not deny admission an applicant solely because they were late with rent payments, fell behind on rent, or were evicted for nonpayment of rent due to the impacts of COVID-19."

At page 2-21, LSNC alerted SHRA to a minor typo and SHRA agreed to change "County" to "City."

At page 2-21, LSNC also requested and SHRA agreed to add "source of income" to the list of protected classes per California fair housing laws.

At page 2-22, LSNC requested and SHRA agree to make the discussion on page 2-22 regarding mitigating circumstances consistent with the list of mitigating circumstances on page 2-18.

At page 2-24, LSNC requested that SHRA make clear that an arrest alone is insufficient to deny admission pursuant to HUD guidance and federal/state fair housing law. SHRA responded that it would add the following language

"Evidence of an arrest alone is not a sufficient basis to deny an applicant; however, the evidence supporting the arrest, including without limitation police reports or witness statements, may form a sufficient basis to deny an applicant."

### **Chapter 3: Applying for Admission**

At page 3-2 under the section "Applicant Status While On Waiting List," the ACOP provides that an applicant "will" be removed from the waitlist if they do not report certain changes like a change of address, change of income, or change of family composition within 30 days of the change. However, this is not a mandatory denial nor should it be, especially because an applicant's income and family composition is not finalized in the application process until they are pulled from the list and invited to complete the full application. This could be many years later. Likewise, we believe the actual practice is to exercise discretion. In light of the above, we recommend changing the word from "will" to "may" to reflect that discretion. SHRA indicated it would not make this change because applicants have 30 days to respond by mail or electronically. However, the circumstance the ACOP is referring to is not failing to respond to SHRA but not providing an update while on the waitlist if there is a household change. We ask SHRA and the Commission to revisit this issue.

At pages 3-4 and 3-5, we requested that the timeline for applicants to respond be changed from "10 days" to "10 business days" as applicants already lose a few days due to mailing, so the extra time helps to ensure they receive sufficient time to get needed items from third parties. SHRA agreed to make these changes.

#### **Chapter 4: Resident Selection and Assignment Plan**

At page 4-5 under the section regarding waitlist purging, LSNC recommended that the PHA attempt to call or text an applicant prior to purging them from the waitlist rather than only relying on the mail. SHRA responded that they deferred to the HCV team as they manage the waitlists and we understand that team agreed to include an additional attempt to confirm waitlist status by email.

At page 4-7, LSNC requested and SHRA agreed to add a few clarifying words for regarding special admissions.

At page 4-11 under section "Time Limit for Acceptance," we asked whether there was capacity to also call or text applicants with a unit offer to ensure they receive it. SHRA indicates that in addition to mailing the unit offer letter, they call the applicant. If the applicant doesn't respond and they have an email address, SHRA indicates they will also send an email. We appreciate these additional efforts and recommend they be included in the ACOP.

#### **Chapter 6: Determination of Total Tenant Payment**

At page 6-8 under Section C "Income Exclusions," LSNC recommended that SHRA add a bullet point that states e.g.: "Loans are not counted as income because they are required to be paid back." The PHA agreed to add the following language: "Loans are not counted as income when they are temporary, nonrecurring, or sporadic." Although we think loans do not ever meet the definition of income because they must be paid back and are not akin to the types of income delineated in the federal regulations, we appreciate this change and will continue to work with SHRA to obtain clarity on this question.

At page 6-15 regarding medical expenses, the ACOP provides that medical expenses may be deducted only if they are "anticipated, regular, ongoing expenses that a family expects to pay in the 12 months following examination or reexamination." The HUD Handbook does not exclude one-time expenses and includes examples such as wheelchairs, scooters, limbs, etc. We recommend bringing this section consistent with the Handbook. The PHA disagrees, but indicated an openness to further discussion, which we appreciate. LSNC respectfully submits that if a medical expense is anticipated in a given year, but is not a regular expense such as the need to purchase a wheelchair, it is a proper medical expense deduction.

#### **Chapter 8: Transfer Policy**

At page 8-3 regarding notice of transfers, LSNC recommended allowing 10 "business" days rather than just calendar days to pay a deposit because there is a better chance someone would get their next paycheck by that point. SHRA agreed to make this change and indicates that a Notice of Transfer is sent to multiple residents regarding the unit that has become

available, but the first one to respond will get the unit. We appreciate this clarification and recommend that the Notice of Transfer explain multiple residents are sent the same unit offer, if not included already.

### **Chapter 9: Leasing**

At page 9-2 under "Resident Obligations," the ACOP provides that residents cannot use the unit for any other purpose including mailing for anyone not listed on the lease. LSNC requests that the PHA consider permitting residents to allow their adult children, particularly their young adult children, to use their address for mailing purposes. There are a lot of reasons young adults or other vulnerable family members do not have reliable or settled mailing addresses. The PHA did not agree to this request fearing complications with unauthorized household members. However, our request is not that changes be made to obligations not to permit unauthorized household members. Rather, our request is not to treat the mere use of the mailing address as a violation of resident obligations.

At page 9-10, LSNC asked for language accommodating students who may be temporarily in the household for longer than the ninety days currently provided for due to the COVID-19 pandemic. The PHA agreed to include the following language:

"College students temporarily home due to the COVID-19 pandemic or other states of emergency causing school closures and/or remote education, may visit for longer than ninety (90) days without being considered a member of the household. When the pandemic or state of emergency is lifted they will 30 days from the date of the release to vacate the unit or they will be considered members of the household."

### **Chapter 12: Lease Terminations**

At page 12-1, LSNC recommended and the PHA agreed to add language clarifying that participants may not be terminated due to domestic violence and/or abuse by a partner or "a direct result of domestic violence or abuse by a partner" unless there is other cause for termination.

### **Chapter 17: VAWA**

At pages 17-2 and 17-3, LSNC recommended that the PHA update its definitions of stalking and sexual assault to come into conformity with PIH Notice 17-08. The PHA agreed.

At pages 17-6, LSNC recommended including additional guidance from PIH Notice 17-08 regarding adverse factors that may be related to domestic violence and should not be used to deny or terminate housing. The PHA agreed.

At page 17-3, LSNC recommends that PHA clarify its policy regarding the ability of domestic violence survivors to provide verbal verification. The PHA indicated that if a verbal statement

Page 8

is provided, it will provide a written statement that will be accepted as true and correct. We recommend that the ACOP expressly reflect how verbal verifications will be processed.

At page 17-4, LSNC recommended that the PHA add more detailed guidance from PIH Notice 17-08 regarding confidentiality protections. The PHA agreed to include more detail.

## **Chapter 20: Reasonable Accommodation Policies and Procedures**

At page 20-3, LSNC requested and SHRA agreed to add the following sentence pertaining to acceptable methods of certification: "Further, letters submitted by an applicant resident from a qualified professional having knowledge of the person's disability are acceptable."

At page 20-4 before section C, LSNC requested the following addition: "Upon the RAC's determination that the request will meet the need identified by the individual with disabilities, and that the request does not create an undue financial or administrative burden on the PHA, the PHA must grant the applicant or resident's reasonable accommodation request." The PHA did not agree indicating the PHA could still grant or deny or offer an alternative accommodation. However, because the proffered sentence presumes the RAC has decided the requested accommodation is both necessary and not burdensome, we submit that the PHA would not have the discretion to deny the reasonable accommodation.

Thank you for considering our comments. If you have any further questions or need any additional information, we may be reached at [sropelato@lsnc.net](mailto:sropelato@lsnc.net) and [kkontz@lsnc.net](mailto:kkontz@lsnc.net) or (916) 551-2150.

Sincerely,

Karen-Kontz  
Supervising Attorney

Sarah R. Ropelato  
Managing Attorney

## **RESOLUTION NO. SHRC-\_\_\_\_\_**

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF

**October 7, 2020**

### **2021 PUBLIC HOUSING AGENCY ANNUAL PLAN FOR THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SACRAMENTO**

**WHEREAS**, the 2020-2024 Consolidated Plan is a planning document that identifies overall housing and community development needs in the City and County of Sacramento, and outlines a strategy to address those needs;

**WHEREAS**, the proposed 2021 Public Housing Agency (PHA) Plan is consistent with the 2020-2024 Consolidated Plan, which was approved by the City and County of Sacramento;

**WHEREAS**, beginning with the 2001 fiscal year budget and associated resolutions, and each subsequent year thereafter in the resolutions approving the budgets for the Housing Authority of the City of Sacramento and County of Sacramento (Housing Authority), the Sacramento Housing and Redevelopment Agency (SHRA) and its Executive Director, or her designee, are delegated authority by the governing boards of each Housing Authority to conduct a public hearing on behalf of each Housing Authority to discuss the PHA Annual Plan (PHA Plan) and invite public comment on the plan;

**WHEREAS**, the significant PHA Plan changes were made available to the Resident Committees, the Resident Advisory Board and the public on July 19, 2020;

**WHEREAS**, a public hearing, duly noticed for more than a 45-day period, was held on September 2, 2020, to consider the 2021 PHA Plan on behalf of each Housing Authority and comments received were considered by the Sacramento Housing and Redevelopment Commission; and

**WHEREAS**, the recommended actions are administrative in nature and therefore are not considered a project subject to provisions of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) §15378(b), and are determined to be

exempt from the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations (CFR) §58.34(a)(1) and (3).

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

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 adopted.

Section 2. The 2021 PHA Plan, consisting of the Admissions and Continued Occupancy Policy and Administrative Plan for the Housing Choice Voucher program for the Housing Authority of the City and County of Sacramento, is hereby approved.

Section 3. The Executive Director or her designee is authorized to make non-substantive changes to the 2021 PHA Plan based on any additional public comments received.

Section 4. The Executive Director or her designee is authorized to make changes to the PHA Plan as directed by the Department of Housing and Urban Development (HUD) or as required to comply with the Quality Housing and Work Responsibility Act of 1998.

Section 5. The PHA certifies that the 2021 PHA Plan is consistent with the Consolidated Plan per 24 CFR §§ 903.5 and 903.15.

Section 6. The Executive Director or her designee is authorized to execute and submit all required documents for the submission and certification of compliance of the 2021 PHA Plan to HUD or to comply with the Quality Housing and Work Responsibility Act of 1998.

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CHAIR

ATTEST:

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CLERK



September 17, 2020

Ms. Sarah Ropelato  
Legal Services of Northern California (LSNC)  
515 12th Street  
Sacramento, CA 95814

Dear Ms. Ropelato,

Thank you for your letter providing feedback during the public comment period for the 2020 Mid-Year 5-Year and Draft Annual Plan which includes the Admissions and Continued Occupancy Policies (ACOP) for the Public Housing Program and the Administrative Plan (Admin Plan) for the Housing Choice Voucher (HCV) Program.

Legal Services of Northern California (LSNC) and the Housing Authority of the City and County of Sacramento (Housing Authority) continue to have a positive working relationship to address the needs of low income families in Sacramento County. During the comment period the Housing Authority and LSNC staff discussed and resolved a majority of LSNC's comments and concerns. Below are the comments provided in your letter dated July 15, 2020 with responses from the Public Housing Agency (PHA). The text in red refers to language inserted/removed from the ACOP or Admin Plan.

## **2021 HCV ADMINISTRATIVE PLAN**

### **LSNC COMMENTS AND PHA RESPONSES**

#### **LSNC Comment:**

Chapter 2: Eligibility for Admission

Add a sentence on page 2-6 to make it explicit that live-in aides may live in the unit with their spouse/partner and children so long as they continue to meet occupancy standards, in accordance with fair housing laws.

#### **PHA Response:**

The following change has been made:

A Live-In Aide may have a spouse/partner and/or children added to the unit with PHA approval as long as they continue to meet occupancy standards. The bedroom size will not increase for the Live-In Aide spouse/partner and/or children.

#### **LSNC Comment:**

Chapter 2: Eligibility for Admission

Chapter 2-13

Should cite the most recent HUD VAWA notice: PIH Notice 2017-18



**LSNC Comment:**

This update has been made.

**LSNC Comment:**

Chapter 3: Applying for Admission

Chapter 3-4 Requirement to Attend Interview

Add option for virtual or phone interview for the duration of the governor's state of emergency

**PHA Response:**

The following change was made:

All adult family members are required to attend the interview. **The PHA may offer an alternate method to an in-person interview.** Exceptions may be made for good cause as defined in the glossary. Reasonable accommodations may be made upon request by or on behalf of family members with disabilities if they are unable to attend the interview as a result of their disabilities.

**LSNC Comment:**

Chapter 4: Establishing Preferences and Maintaining the Tenant-based Voucher Wait List

On page 4-4, LSNC suggested removing the sentence in the Lease In-Place section that states "Where the landlord will certify they will accept the HCV program." SB329, effective January 1, 2020, prohibits discrimination based on source of income and includes vouchers. SHRA's position is that landlords can reject HCV for other reasons such as rent that is above the payment standard, or inability to keep the unit at HQS. However, LSNC maintains that in the context of a tenant who is leasing in-place, the landlord no longer has the option to reject the family due to their voucher. The language could be changed to reflect this.

**PHA Response:**

The following change was made:

In the event the HCV leasing rate falls below 97%, preference will be given to families on the waiting list who are willing and able to lease in place. Families who are considered to be living in-place are those who reside in a unit in Sacramento County where the landlord will certify they will accept the HCV **program gross rent**. They must have resided in unit for the past three months and must remain in unit for a period of no less than one year after assistance starts. The unit must meet all other program requirements in order to qualify for the preference.

**LSNC Comment:**

Chapter 4: Establishing Preferences and Maintaining the Tenant-based Voucher Wait List

On page 4-5, LSNC suggested adding a secondary contact method in the event of a wait-list purge.

**PHA Response:**

SHRA has made the following change:

The wait list will be purged periodically by mailing **and emailing** a notice sent to all applicants to ensure that the wait list is current and accurate. The notice will request current information and confirmation of continued interest in the HCV Program.

**LSNC Comment:**

Chapter 5: Subsidy Standards

On page 5-2, SHRA agreed to add an additional option for adult children under 24 years of age who left only to attend school to come back into the household with verification that their university is engaged in online or distance learning.

**PHA Response:**

The following change was made:

Adding additional members to the household

- Adult children under 24 years of age who left only to attend school. Request must be received within 1 year of dis-enrollment or graduation **or verification of online/distance learning.**

**LSNC Comment:**

Chapter 6: Factors Related to Total Tenant Payment and Family Share Determination

On page 6-11 and 6-12, LSNC suggested adding a sentence in either Section J or Section L that states: "Loans are not counted as income because they are required to be paid back."

**PHA Response:**

The following change was made:

Loans are not counted as income when they are temporary, nonrecurring, or sporadic.

**LSNC Comment:**

Chapter 8: Voucher Issuance and Briefings

Chapter 8-4, D. Discrimination

Add "source of income" to examples of legally protected class

**PHA Response:**

The following change was made:

The PHA will give participants a copy of HUD Form 903 to file a complaint if the participant feels he or she has been discriminated against based on their membership in a legally protected class (e.g. disability, race, sex, **source of income**, etc.).

**LSNC Comment:**

Chapter 9: Request for Tenancy Approval and Contract Execution

Chapter 9-4, Rent limitations

Add to end of first paragraph, "and any applicable state or local laws. For example, California Penal Code Section 396 prohibits rent increases greater than 10% during a state of emergency"

**PHA Response:**

The following change was made:

At all times during the tenancy, the rent to owner may not be more than the most current reasonable rent as determined and approved by the PHA and any applicable state or local laws, including, without limitation, California Penal Code Section 396, which prohibits rent increases greater than 10% in some circumstances during an applicable state of emergency.

**LSNC Comment:**

Chapter 10: Housing Quality Standard Inspections

SHRA offers extensions for repairs to bring the unit up to HQS to owners, but does not offer those same options to tenants when HQS violations are tenant-fail items. SHRA agreed to add the paragraph on page 10-7 to the tenant-fail section as well, to allow families the same options for extensions if needed.

**PHA Response:**

The following change was made:

K. Consequences If Family Is Responsible

A PHA supervisor may grant a time extension to a repair deadline in the following cases:

- There is an unavoidable delay in completing repairs due to difficulties in obtaining parts or contracting for services; or
- The repairs must be delayed due to climate conditions.

The extension will be made for a period of time not to exceed 30 days.

**LSNC Comment:**

**Chapter 11: Owner Rents, Rent Reasonableness and Payment Standards**

On page 11-14, SHRA agreed to add to the section on contract rent increases that the PHA will consider whether the rent increase violates applicable state and local laws such as Penal Code Section 396, which limits rent increases during a declared state of emergency.

**PHA Response:**

SHRA has made the following change:

**Contract Rent Increases**

Requests for rent increases will not be approved if the:

- rent increase violates applicable state and local laws such as California Penal Code Section 396, which limits rent increases during a declared state of emergency

**LSNC Comment:**

**Chapter 14: Contract Terminations**

On page 14-2 in the foreclosures section, LSNC suggested removing the sunset date of December 31, 2019 because the law still applies.

**PHA Response:**

The following change was made:

The Protecting Tenants at Foreclosure Act of 2009 has the following provisions regarding foreclosure ~~expire on December 31, 2019 (unless extended)~~:

**LSNC Comment:**

Chapter 15: Denial or Termination of Assistance

Chapter 15-3 Other criminal activity

SHRA agreed to delete the sentence that states “reasonable cause to believe” on page 15-3 regarding other criminal activity and change the sentence to read “...where the PHA determines the person is or has been involved in...”

**PHA Response:**

The following change was made:

The PHA will deny participation in the program to applicants where the PHA determines ~~there is reasonable cause to believe~~ that the person is/has been involved in drug related criminal activity or engaged in other criminal activity as defined in the Glossary within three years prior to consideration of eligibility for program admission.

**LSNC Comment:**

Chapter 15: Denial or Termination of Assistance

On page 15-5, LSNC suggested changing the “The PHA will” to “The PHA may” because the PHA is required to consider mitigating circumstances prior to termination.

**PHA Response:**

The following change was made:

The PHA will ~~terminate~~ **propose termination of** assistance for program participants if the PHA determines that any household member is currently engaging in illegal use of a drug under local, state, or federal law.

**LSNC Comment:**

Chapter 15: Denial or Termination of Assistance

On page 15-6, LSNC suggested suspending discretionary terminations for 90 days past the expiration of the governor’s declared state of emergency for COVID-19. SHRA stated that it is currently doing this pursuant to a HUD waiver but will not extend it into the 2021 Administrative Plan at this time. LSNC notes that SHRA could continue to suspend *discretionary* terminations throughout the state of emergency to keep vulnerable folks housed and recommends that it do so.

**PHA Response:**

The PHA cannot agree to this request. Discretionary terminations are a wide definition and the PHA must protect the integrity of the HCV program.

**LSNC Comment:**

Chapter 15: Denial or Termination of Assistance

Regarding terminations for missed appointments and deadlines on page 15-3, LSNC proposes to continue suspending terminations for failure to recertify or supply necessary documents through the state of emergency. SHRA stated they can only do so through the duration of the HUD waiver, which currently expires December 31, 2020. Given that the pandemic is unlikely to be over on January 1, 2021, LSNC hopes SHRA will request an extension from HUD for this waiver.

**PHA Response:**

SHRA cannot agree to this request. HCV funding is dependent on the completion of annual recertifications and can only offer extensions during the HUD waiver time period.

**LSNC Comment:**

Chapter 24: Reasonable Accommodation Policy and Procedures

On page 24-2, SHRA agreed to make this language consistent with the ACOP with one addition so that it will read: “must provide written verification that the specific accommodation requested is due to the disability....” They are not required to use a specific form to make such requests and must accept any form provided from a qualified third party. However, the PHA has a standard RA request form available in order to help expedite these requests.

**PHA Response:**

SHRA has made the following change:

Once the individual’s disabled status is established, a professional third-party, competent to make an assessment, must provide written verification that the specific accommodation requested is due to the disability and the specific change is required for equal access to the housing program. Individuals with disabilities who request reasonable accommodations may submit requests either orally or in writing. They are not required to use a specific form in order to make such requests. However, the PHA has a standard Reasonable Accommodation Request form available in order to help expedite these requests.

**LSNC Comment:**

Chapter 27: Language Access Plan

LSNC commented that several of the notices that are pre-requisite to a proposed termination must be translated to afford families due process. SHRA stated they are considering putting an option at the bottom of these forms with a number for the family to call to have the form be read to them in the language of their choice.

**PHA Response:**

Some of the HUD forms are already translated by HUD and are available for HCV families. In addition, the PHA agrees to add instructions to the bottom of their forms and letters (translated in the top 5 language options) on how to call for assistance in the requested language.

**LSNC Comment:**

Chapter 28: Violence Against Women Act and Domestic Violence

SHRA agreed to change the definition of stalking and sexual assault on page 28-2 to match the definition in PIH 2017-08, as the current definition is outdated. SHRA also agreed to add examples of what adverse factors that might be the direct result of domestic violence to this section.

**PHA Response:**

The following changes were made:

~~Stalking: (a) to follow, pursue or repeatedly commit acts with the intent to kill, injure, harass or intimidate the victim; (b) to place under surveillance with the intent to kill, injure, harass or intimidate the victim; (c) in the course of, or as a result of such following, pursuit, surveillance, or repeatedly committed acts, to place the victim in reasonable fear of the death of, or serious bodily injury to the victim~~



Stalking means engaging in a course of conduct directed at a specific person that would cause a reasonable person to: (1) Fear for the person's individual safety or the safety of others; or (2) Suffer substantial emotional distress.

~~Sexual Assault: Any type of sexual contact or behavior that occurs by force or without consent of the recipient of the unwanted sexual activity. Falling under the definition of sexual assault is sexual activity such as forced sexual intercourse, sodomy, child molestation, incest, fondling, and attempted rape. It includes sexual acts against people who are unable to consent either due to age or lack of capacity.~~

Sexual assault means any non-consensual sexual act proscribed by Federal, Tribal, or State law, including when the victim lacks capacity to consent.

### **I. Adverse Factors**

HUD PIH-2017-08 states on the surface, adverse factors may appear unrelated to domestic violence, dating violence, sexual assault, or stalking and may present legitimate reasons for denial, termination, or eviction. However, the presence of an adverse factor may be due to an underlying experience of domestic violence, dating violence, sexual assault, or stalking. An adverse factor may be present during much of an abusive relationship, or it may present itself only when a victim is attempting to leave, or has left, the abusive relationship. The following examples are provided to give PHAs and owners a sense of the many instances in which adverse factors might be the "direct result" of domestic violence, dating violence, sexual assault, or stalking. Please note that this list is neither exhaustive nor definitive.

- Poor credit history
- Poor rental history
- Criminal record
- Failure to pay rent

### **LSNC Comment:**

Chapter 28: Violence Against Women Act and Domestic Violence

Because PIH 2017-08 requires PHAs to accept verbal verification of domestic violence, LSNC suggested the following: "The VAWA Final Rule clarifies that PHAs and owners are not required to ask for documentation when an individual presents a claim for VAWA protections; the PHA or owner may instead choose to provide benefits to an individual based solely on the individual's verbal statement or other corroborating evidence. HUD recommends that PHAs and owners develop written policies for how and under what circumstances a verbal statement will be accepted."

### **PHA Comment:**

The following changes were made:  
time.

#### **Acceptance of Verbal Statement**

PHAs are not required to ask for documentation when an individual presents a claim for VAWA protections; the PHA may instead choose to provide benefits to an individual based solely on the individual's verbal statement or other corroborating evidence. If the PHA decides to rely on such

information, the PHA will document in a confidential manner, the individual's verbal statement or other corroborating evidence.

**LSNC Comment:**

Chapter 28: Violence Against Women Act and Domestic Violence

LSNC suggested adding more specificity to the confidentiality policies. SHRA stated it is already PHA policy to keep participant information confidential, and to not leave voicemails with any identifying information, so they will not update this policy.

**PHA Comment:**

The PHA has policies in place to manage and protect personal identifying information for all clients. No change is needed in policy at this time.

## **ADMISSION AND CONTINUE OCCUPANCY POLICY (ACOP)**

### **COMMENTS AND RESPONSES**

**LSNC Comment:**

Chapter 2: Eligibility for Admission

At page 2-15, LSNC requested and SHRA agreed to add "sexual assault" to the list of those survivors that will not be denied admission, if otherwise eligible, as required by the Violence Against Women Act (VAWA).

**PHA Response:**

The PHA accepts your request and will add "sexual assault" to section F, 3rd paragraph.

**LSNC Comment:**

At page 2-18, LSNC requested to add language that would not preclude admission for those who were unable to pay rent due to the impacts of the pandemic. Add the following language:

The PHA will not deny admission to an applicant solely because they were late with rent payments, fell behind on rent, or were evicted for nonpayment of rent due to the impacts of COVID-19."

**PHA Response:**

The PHA accepts your request and will add the following change:

The PHA will not deny admission an applicant solely because they were late with rent payments, fell behind on rent, or were evicted for nonpayment of rent due to the impacts of COVID-19.

**LSNC Comment:**

At page 2-21, LSNC alerted SHRA to a minor typo “County” to “City.”

**PHA Response:**

The PHA will make this change.

**LSNC Comment:**

At page 2-21, LSNC also requested to add “source of income” to the list of protected classes per California fair housing laws.

**PHA Response:**

The PHA accepts your request and will add “source of income.”

**LSNC Comment:**

At page 2-22, LSNC requested to make the discussion on page 2-22 regarding mitigating circumstances consistent with the list of mitigating circumstances on page 2-18.

**PHA Response:**

The PHA accepts your request and will list the example of mitigating circumstances from 2-18 to 2-22.

**LSNC Comment:**

At page 2-24, LSNC requested that SHRA make clear that an arrest alone is insufficient to deny admission pursuant to HUD guidance and federal/state fair housing law.

**PHA Response:**

The PHA will make the following change:

Evidence of an arrest alone is not a sufficient basis to deny an applicant; however, the evidence supporting the arrest, including without limitation police reports or witness statements, may form a sufficient basis to deny an applicant.

**Chapter 3: Applying for Admission**

**LSNC Comment:**

At page 3-2 under the section “Applicant Status While On Waiting List,” the ACOP provides that an applicant “will” be removed from the waitlist if they do not report certain changes like a



change of address, change of income, or change of family composition within 30 days of the change.

However, this is not a mandatory denial nor should it be, especially because an applicant's income and family composition is not finalized in the application process until they are pulled from the list and invited to complete the full application. This could be many years later. Likewise, we believe the actual practice is to exercise discretion. In light of the above, we recommend changing the word from "will" to "may" to reflect that discretion. However, the circumstance the ACOP is referring to is not failing to respond to SHRA but not providing an update while on the waitlist if there is a household change.

**PHA Response:**

The PHA disagrees with this request and will not make this change. Applicants and pre-applicants are given up to 30 days to respond by mail and electronically with any updates and/or changes to their application.

**LSNC Comment:**

At pages 3-4 and 3-5, we requested that the timeline for applicants to respond be changed from "10 days" to "10 business days" as applicants already lose a few days due to mailing, so the extra time helps to ensure they receive sufficient time to get needed items from third parties. SHRA agreed to make these changes.

**PHA Response:**

The PHA accepts your request and will make this change.

**Chapter 4: Resident Selection and Assignment Plan**

**LSNC Comment:**

At page 4-5 under the section regarding waitlist purging, LSNC recommended that the PHA attempt to call or text an applicant prior to purging them from the waitlist rather than only relying on the mail.

**PHA Response:**

The PHA has agreed to attempt an additional method by email.

**LSNC Comment:**

At page 4-7, LSNC requested to add highlighted language for clarifying purposes (technically all PHA program funding is for "families"):

When HUD awards a PHA program funding that is targeted for **specified types of** families, the PHA will admit these families under a special admission procedure. Special admissions families

will be admitted outside of the regular wait list process. These families do not have to 2021 Admissions and Continued Occupancy Policy Chapter 4-8 qualify for any preferences and are not required to be on the program wait list. The PHA maintains separate records for these special admissions.

**PHA Response:**

The PHA accepts your request and will add the requested language change.

**LSNC Comment:**

At page 4-11 under section “Time Limit for Acceptance,” we asked whether there was capacity to also call or text applicants with a unit offer to ensure they receive it. We appreciate these additional efforts and recommend they be included in the ACOP.

**PHA Response:**

In addition to mailing a letter, staff calls the applicant. If the applicant doesn’t respond and they have an email address, we will also send an email.

**Chapter 6: Determination of Total Tenant Payment**

**LSNC Comment:**

At page 6-8 under Section C “Income Exclusions,” LSNC recommended that SHRA add a bullet point that states e.g.: “Loans are not counted as income because they are required to be paid back.” Although we think loans do not ever meet the definition of income because they must be paid back and are not akin to the types of income delineated in the federal regulations.

**PHA Response:**

The PHA will add the following language:

Loans are not counted as income when they are temporary, nonrecurring, or sporadic.

**LSNC Comment:**

At page 6-15 regarding medical expenses, the ACOP provides that medical expenses may be deducted only if they are “anticipated, regular, ongoing expenses that a family expects to pay in the 12 months following examination or reexamination.” The HUD Handbook does not exclude one-time expenses and includes examples such as wheelchairs, scooters, limbs, etc. We recommend bringing this section consistent with the Handbook. LSNC respectfully submits that if a medical expense is anticipated in a given year, but is not a regular expense such as the need to purchase a wheelchair, it is a proper medical expense deduction.

**PHA Response:**

PHA disagrees that this request is inconsistent with the HUD Handbook, which seems to understand wheelchairs, hearing aids, and the like as ongoing expenses, because both their purchase and upkeep are included. The difference between a medical expense related to a chronic condition vs a one-time issue seems to be at the heart of the HUD Handbook's distinctions, and as a practical matter the PHA believes this is the best way to communicate our policy. PHA is open to further discussion on this issue, in the future.

**Chapter 8: Transfer Policy**

**LSNC Comment:**

At page 8-3 regarding notice of transfers, LSNC recommended allowing 10 "business" days rather than just calendar days to pay a deposit because there is a better chance someone would get their next paycheck by that point. We appreciate this clarification and recommend that the Notice of Transfer explain multiple residents are sent the same unit offer, if not included already.

**PHA Response:**

The PHA accepts your recommendation to make this change. The Notice of Transfer is sent to multiple residents regarding the unit that has become available but the first one to respond will get the unit, if it is 10 calendar days or 10 business days.

**Chapter 9: Leasing**

**LSNC Comment:**

At page 9-2 under "Resident Obligations," the ACOP provides that residents cannot use the unit for any other purpose including mailing for anyone not listed on the lease. LSNC requests that the PHA consider permitting residents to allow their adult children, particularly their young adult children, to use their address for mailing purposes. There are a lot of reasons young adults or other vulnerable family members do not have reliable or settled mailing addresses. However, our request is not that changes be made to obligations not to permit unauthorized household members. Rather, our request is not to treat the mere use of the mailing address as a violation of resident obligations.

**PHA Response:**

The PHA disagrees with this request. The issue with allowing anyone other than the resident family household to receive mail at the address is we will begin to have unauthorized household members receiving mail at an address they don't reside at.

**LSNC Comment:**

At page 9-10, LSNC asked for language accommodating students who may be temporarily in the household for longer than the ninety days currently provided for due to the COVID-19 pandemic.

**PHA Response:**

The PHA accepts your request and will include the following language:

College students temporarily home due to the COVID-19 pandemic or other states of emergency causing school closures and/or remote education, may visit for longer than ninety (90) days without being considered a member of the household. When the pandemic or state of emergency is lifted they will have 30 days from the date of the release to vacate the unit or they will be considered members of the household.

**Chapter 12: Lease Terminations**

**LSNC Comment:**

At page 12-1, LSNC recommended to add language clarifying that participants may not be terminated due to domestic violence and/or abuse by a partner or “a direct result of domestic violence or abuse by a partner” unless there is other cause for termination.

**PHA Response:**

The PHA accepts your request and will add the requested language.

**Chapter 17: VAWA**

**LSNC Comment:**

At pages 17-2 and 17-3, LSNC recommended that the PHA update its definitions of stalking and sexual assault to come into conformity with PIH Notice 17-08. The PHA agreed.

**PHA Response:**

The PHA accepts your request and will update the definition of “Stalking.”

**LSNC Comment:**

At pages 17-6, LSNC recommended including additional guidance from PIH Notice 17-08 regarding adverse factors that may be related to domestic violence and should not be used to deny or terminate housing.

**PHA Response:**

The PHA accepts your request and will add a list of examples from PIH-2017-08.

**LSNC Comment:**

At page 17-3, LSNC recommends that PHA clarify its policy regarding the ability of domestic violence survivors to provide verbal verification. We recommend that the ACOP expressly reflect how verbal verifications will be processed.

**PHA Response:**

HUD only recommends PHAs establish a policy that accepts verbal statement. If we received a verbal statement, then we will provide a written statement accepting the information is true and correct.

**LSNC Comment:**

At page 17-4, LSNC recommended that the PHA add more detailed guidance from PIH Notice 17-08 regarding confidentiality protections. The PHA agreed to include more detail.

**PHA Response:**

The PHA accepts your request and will add detail from PIH-2017-08 this section.

Chapter 20: Reasonable Accommodation Policies and Procedures

**LSNC Comment:**

At page 20-3, LSNC requested to add the following sentence pertaining to acceptable methods of certification: "Further, letters submitted by an applicant resident from a qualified professional having knowledge of the person's disability are acceptable."

**PHA Response:**

The PHA accepts your request and will add the following language:

Letters submitted by an applicant resident from a qualified professional having knowledge of the person's disability are acceptable.

**LSNC Comment:**

At page 20-4 before section C, LSNC requested the following addition:

"Upon the RAC's determination that the request will meet the need identified by the individual with disabilities, and that the request does not create an undue financial or administrative burden on the PHA, the PHA must grant the applicant or resident's reasonable accommodation request." However, because the proffered sentence presumes the RAC has decided the requested accommodation is both necessary and not burdensome, we submit that the PHA would not have the discretion to deny the reasonable accommodation.

**PHA Response:**

Response: The PHA does not agree with this request. The PHA may grant or deny the applicant or resident's reasonable accommodation request and/or they may present an alternative accommodation.

LSNC's contributions are greatly appreciated. We have made an incredible amount of progress over the years with our ACOP and Administrative Plan. We look forward to continuing to work with LSNC and thank you for your valuable input.

Sincerely,



La Shelle Dozier  
Executive Director  
Sacramento Housing and Redevelopment Agency

## **RESOLUTION NO. SHRC-\_\_\_\_\_**

**ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.**

ON DATE OF

**October 7, 2020**

### **2021 PUBLIC HOUSING AGENCY ANNUAL PLAN FOR THE HOUSING AUTHORITY OF THE CITY AND COUNTY OF SACRAMENTO**

**WHEREAS**, the 2020-2024 Consolidated Plan is a planning document that identifies overall housing and community development needs in the City and County of Sacramento, and outlines a strategy to address those needs;

**WHEREAS**, the proposed 2021 Public Housing Agency (PHA) Plan is consistent with the 2020-2024 Consolidated Plan, which was approved by the City and County of Sacramento;

**WHEREAS**, beginning with the 2001 fiscal year budget and associated resolutions, and each subsequent year thereafter in the resolutions approving the budgets for the Housing Authority of the City of Sacramento and County of Sacramento (Housing Authority), the Sacramento Housing and Redevelopment Agency (SHRA) and its Executive Director, or her designee, are delegated authority by the governing boards of each Housing Authority to conduct a public hearing on behalf of each Housing Authority to discuss the PHA Annual Plan (PHA Plan) and invite public comment on the plan;

**WHEREAS**, the significant PHA Plan changes were made available to the Resident Committees, the Resident Advisory Board and the public on July 19, 2020;

**WHEREAS**, a public hearing, duly noticed for more than a 45-day period, was held on September 2, 2020, to consider the 2021 PHA Plan on behalf of each Housing Authority and comments received were considered by the Sacramento Housing and Redevelopment Commission; and

**WHEREAS**, the recommended actions are administrative in nature and therefore are not considered a project subject to provisions of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations (CCR) §15378(b), and are determined to be