



May 5, 2021

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

Honorable Members in Session:

SUBJECT:

**Approval of a First Substantial Amendment to the 2021 One-Year Action Plan, and
an Amendment to the Citizen Participation Plan to the Coronavirus Aid, Relief,
and Economic Security Act Funding**

RECOMMENDATION:

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

Respectfully Submitted



LA SHELLE DOZIER
Executive Director

Attachment



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

Public Hearing
May 18, 2021

Honorable Mayor and Members of the City Council

Title: Approval of a First Substantial Amendment to the 2021 One-Year Action Plan, and an Amendment to the Citizen Participation Plan to the Coronavirus Aid, Relief, and Economic Security Act Funding

Location/Council District: Citywide

Recommendation: Pass a Motion by at least two-thirds vote waiving Sacramento City Code section 4.04.020 and Council Rules of Procedure Chapter 7, Section E.2.d that mandate all labor agreements and all agreements greater than \$1 million shall be made available to the public at least ten (10) days prior to Council action. Conduct a public hearing and upon conclusion adopt a City Council Resolution a) approving the first Substantial Amendment to the 2021 One-Year Action Plan to allocate Emergency Solutions Grant – Coronavirus 2 (ESG-CV2) and Community Development Block Grant Coronavirus 3 (CDBG-CV3) funds as described in Exhibit A and submit to United States Housing and Urban Development Department (HUD); b) authorizing SHRA to amend its budget to allocate ESG-CV2 and CDBG-CV3 funding for programs and activities in accordance with the amended 2021 One-Year Action Plan; c) authorizing the City Manager or his designee to execute agreements with SHRA to carry out the activities contained in the amended 2021 One-Year Action Plan in compliance with applicable federal laws and regulations, as approved to form by SHRA Counsel and the City Attorney; d) authorizing and delegating authority to SHRA to act as agent on behalf of the City of Sacramento to execute grant agreements with HUD and execute agreements and contracts with the appropriate entities to carry out programs and projects in accordance with the amended 2021 Action Plan and in compliance with applicable federal laws and regulations as approved to form by SHRA Counsel; and e) authorizing SHRA to make any budget adjustments and execute related documents necessary to administer the federal programs as described in the amended 2021 Action Plan in compliance with applicable federal laws and regulations as outlined in Exhibit A.

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

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

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was approved which made \$5 billion in Community Development Block Grant (CDBG) Coronavirus (CV) and \$4 billion in Emergency Solutions Grant (ESG) Coronavirus funds available to respond to the growing effects of the historic COVID-19 public health crisis on the community. HUD allocated funding in multiple rounds. The first round released in April included CDBG-CV1, ESG-CV1 and HOPWA supplemental. In June, the second round of ESG (ESG-CV2) was released followed in September with the third round of CDBG (CDBG-CV3); round two of CDBG-CV was directed to states. All require allocation through Action Plan Amendments. The first round of included CDBG-CV1, ESG-CV1 and HOPWA are allocated. Portions of ESG-CV2 and CDBG-CV3 were allocated in previous Action Plan Amendments in the fall of 2020. There is \$7,100,000 in ESG-CV2 and \$1,420,918 in CDBG-CV3 available. The report recommends allocation of these remaining funds.

ESG-CV2

The ESG-CV2 funds will follow federal ESG program regulations and guidelines to fund eligible activities to prevent, prepare for, and respond to the coronavirus pandemic among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homelessness prevention activities to mitigate the impact of COVID-19. Eligible ESG activities (24 Code of Federal Regulations §576):

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

X Street Navigation Center

Since the fall of 2018, the City, led by Mayor Steinberg, has taken steps to expand re-housing shelter programs throughout the city. In August 2019, the City Council approved implementation of the two Navigation Centers, including X Street, located under Business 80 at the intersection of Broadway and Alhambra Blvd. The X Street Navigation Center facility will be a sprung structure providing dining and sleeping quarters and accompanying restrooms, laundry and showers, and administrative space for case management services. Daily meals will be provided. The shelter will also have onsite kennels. The selected operator is expected to operate from a housing first, low barrier approach with a robust array of on-site services. Due to COVID-19, all necessary operational protocols will be implemented and personal protective equipment will be provided for residents and staff. On March 16, 2021 the City Council approved

multiple actions necessary for the facility to open in June, including directing SHRA to proceed with allocation of ESG-CV2 funding.

Project Homekey

On June 16, 2020, the California Department of Housing and Community Development announced the availability of approximately \$600 million in Homekey Program funding designed to rapidly sustain and expand the inventory of housing for individuals and families experiencing homelessness or at risk of homelessness and impacted by COVID-19. The Homekey Program (Homekey) provides an opportunity for local public agencies to work independently or in conjunction with a developer to purchase motels and a broad range of other housing types to increase their community's capacity to respond to homelessness and the current COVID-19 pandemic. Awards were made in 2020, including the La Mancha project in the city of Sacramento. It is anticipated another funding round will be announced in the near term which will require local funding for operations, essential services and potentially rehabilitation and acquisition. Allocation of ESG-CV2 funds to a future Homekey project allows for faster approval and implementation. All necessary approvals will follow in subsequent and separate staff reports for the future Homekey project.

This report proposes allocating funding to implement the X Street Navigation Center (Essential Services and Shelter Operations) and future Homekey Motel project (Essential Services, Shelter Operations, Major Rehabilitation, Conversion, Renovation, and/or Acquisition).

Emergency Solutions Grant - CV2	
X Street Navigation Center	\$762,743
Homekey Project	\$6,337,257
Total	\$7,100,000

CDBG-CV3

In September, HUD awarded CDBG-CV3 to the City. CDBG-CV3 eligible activities must meet at least one of the three HUD-mandated CDBG National Objectives (24 Code of Federal Regulations §570.208) which include: 1) benefit to low- and moderate-income persons; 2) prevention or elimination of slums or blight; and 3) meeting an urgent need as defined by HUD). CDBG-CV3 further requires activity activities to prevent, prepare for, and respond to the coronavirus pandemic. Additionally, the limit on CDBG-CV funding to public services was waived providing a flexible source to address COVID-19 impacts. This report recommends allocating funding to the Meals and Wheels (MOW) service and a future Homekey project as discussed above.

Meals on Wheels

There was a significant increased demand for MOW services as a result of the pandemic. MOW pre-pandemic provided an average of 625 meals per day at congregate sites and through direct delivery to program participants; as of March 2021

the program demand rose to 1,350 meals per day by direct delivery (115% increase). Although, seniors have higher rates of vaccination, most MOW participants are not yet comfortable leaving their home, therefore, the need for meal delivery continues. Until now, one time funding opportunities have met the demand, unfortunately most of these are ending in April. The allocation will provide an estimated 600 participants meals for three months. In addition to delivering meals, funding will purchase necessary personal protective equipment and pay any other program related expenses necessary to meet the increased demand for MOW services. The CARES Act funding is one-time funding. This report proposes allocating funding for MOW services and a future Homekey Motel project (Essential Services, Shelter Operations, Major Rehabilitation, Conversion, Renovation, and/or Acquisition).

Community Development Block Grant – CV3	
Meals on Wheels	\$450,000
Homekey Project	\$970,918
Total	\$1,420,918

Staff is requesting approval of a Substantial Amendment to the 2021 One-Year Action Plan as detailed in Exhibit A and requests authorization to submit the amended plan to HUD. The 2021 One-Year Action Plan was approved by Resolution 2020-0350 on October 27, 2020. The One-Year Action Plan amendments propose activities for the expenditure of the ESG-CV2 and CDBG-CV3 funds to address the COVID-19 crisis. The proposed activities support City and SHRA priorities to be implemented as soon as agreements are executed (Exhibit A).

The public hearing before the City Council was noticed on April 17, 2021 following SHRA's Citizen Participation Plan which requires a 30-day public comment period for CDBG and ESG funds.

Policy Considerations: Funding for the X Street Navigation Center is consistent with the Homeless Services Funding Plan approved by Council on April 23, 2019, the draft Homeless Strategy that was presented to Council on August 27, 2019 and the 5 Point Homeless Plan and program approvals on March 16, 2021.

The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives outlined in the 2020-2024 Consolidated Plan. The Consolidated Plan goals include assisting low- and moderate- income persons and areas with the following: housing, homeless facilities and services, public services, public facility and infrastructure improvements, and planning activities.

Economic Impacts: Not applicable.

Environmental Considerations: California Environmental Quality Act (CEQA): The recommended actions are considered administrative or fiscal activities and therefore are not considered a project subject to CEQA pursuant to 14 CCR section 15378(b). Additionally, any funds used for emergency projects related to COVID will be exempt from CEQA review pursuant to 14 CCR section 15269(c). National Environmental Policy Act (NEPA): The recommended actions are administrative and management activities and are therefore exempt under NEPA pursuant to 24 CFR 58.34(a)(1) and

(3). Additionally, any activities undertaken with the above mentioned funds will either be exempt from NEPA pursuant to 24 CFR 58.34(a)(3) or (4), or categorically excluded pursuant to 24 CFR 58.35(b)(1) or (2). If required, NEPA review will be completed prior to taking any choice limiting action.

Sustainability Considerations: Not applicable.

Commission Action: *Sacramento Housing and Redevelopment Commission:* At its May 5, 2021 meeting, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: The 2021 Action Plan is proposed to be amended to allocate the ESG-CV2 and CDBG-CV3 CARES Act funding. The amendment includes a description of proposed activities and expenditures that meet the goals and priorities of the Consolidated Plan. These funds are designated to activities which will assist the community's vulnerable populations during this health crisis.

Financial Considerations: The available ESG-CV2 funding is \$7,100,000 and CDBG-CV3 funding is \$1,420,918. This report proposes allocations \$762,743 to X Street Navigation Center, as directed by the City Council and \$6,337,257 to a future Homekey project.

This report proposes allocation of \$450,000 in CDBG-CV3 funds to the Meals on Wheels Program the remaining \$970,918 of CDBG-CV3 to a future Homekey project which will be allocated in a subsequent report.

LBE - M/WBE and Section 3 requirements: None

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Attachments

1-Description/Analysis

2-Resolution

3-Exhibit A to Resolution - 2021 Action Plan Amendment #1

City of Sacramento

Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136
 March 27, 2020, Coronavirus Aid, Relief, and Economic Security Act (CARES), Public Law 116-136 was signed by the President of the United States. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of Community Development Block Grant – CARES (CDBG-CV) funds, including the suspension of the 15 percent cap on public services; and allowing the option of virtual hearings.

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

Amendment #1 to 2021 Action Plan and Previous Year's Action Plans

This report formally amends the 2021 Action Plan and previous years' Action Plans by adding 30 day noticing and allocating 2020 CARES Act funding to activities listed below: Newly funded activities will be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds.

Amendment #1 to 2021 Action Plan

This report formally amends the 2021 Action Plan by allocating CARES Act funding to the activities identified below. Newly funded activities are scheduled to be implemented as soon as possible and will comply with federal regulations governing the timely expenditure of funds. Below is new language which will be incorporated into the 2020 Action Plan:

AP-35 Projects

- 3 - Emergency Shelter, and Outreach Activities –ESG-CV2 \$7,450,000**
 - Emergency Shelter Operations and Essential Services for X Street Navigation Center - \$762,743
 - Emergency Shelter Operations, Essential Services, Major Rehabilitation, Conversion, Renovation and Acquisition for a Homekey project - \$6,337,257
- 3 – Public Services activities**
 - Senior Services \$450,000
 - Homeless Activities: Funds to operate a hotel to serve as an emergency shelter/and interim housing for homeless individuals and families. \$970,918

2021 One-Year Action Plan Amendment #1 2020 CARES Emergency Solutions Grant Unallocated: \$7,100,000		
Recommendation: 2020 CARES Emergency Solutions Grant – CV2	Amount	Fund
ESG Shelter(s) and Outreach: Funds to provide emergency shelter operations, delivery and essential services, outreach activities; major rehabilitation, conversion, renovation and acquisition programs will be undertaken per ESG regulations. <ul style="list-style-type: none"> - X Street Navigation Center - Homekey Project 	\$762,743 \$6,337,257	ESG-CV2
Total Programs	\$7,100,000	

2021 One-Year Action Plan Amendment #1 2020 CARES Community Development Block Grant Unallocated: \$1,420,918			
Recommendation – 2020 CARES Community Development Block Grant – CV3			
Activity Name	Amount	Source	CDBG Criteria
Senior Services (Public Services): Provide meals to homebound seniors, to non-homebound seniors at approximately 20 dining sites, and measures to prepare, prevent and respond to the COVID-19 Pandemic	\$450,000	CDBG-CV3	05A
Homeless Prevention Activities (Public Services): Funds to operate a hotel to serve as an emergency shelter/and interim housing for homeless individuals and families.	\$970,918	CDBG-CV3	05S/LMC
Total Programs	\$1,420,918		

RESOLUTION NO. 2021 –

Adopted by the Sacramento City Council

On date of

Authorization for the Substantial Amendment #2 to the 2021 One-Year Action Plan for the Community Development Block Grant, and Emergency Solutions Grant Funded Projects and Programs for the Coronavirus Aid, Relief, and Economic Security Act; Amendment of Prior Years' Action Plans; Amendment to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; Execute Documents for the Administration of Federal Programs related to the Coronavirus Aid, Relief and Economic Security Act

BACKGROUND

- A. The United States Department of Housing and Urban Development (HUD) requires the adoption of a Five-Year Consolidated Plan and annual Action Plan, consistent with the Consolidated Plan, to identify the programs and projects for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).
- B. Since 1982 the Sacramento Housing and Redevelopment Agency on behalf of its constituent entities has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME, ESG, and HOPWA, funding originating from HUD.
- C. As the recipient of HUD funding and designated agent for the City of Sacramento, SHRA is authorized to submit environmental determinations on the City's behalf and on the behalf of non-profit sub-recipients.
- D. The recommended actions are consistent with the goals and objectives contained in the 2020-2024 Consolidated Plan, the Analysis of Impediments to Fair Housing Choice and the 2020 Action Plan which were approved by Resolution No. 2019-0408.
- E. On March 27, 2020, the President of the United States signed the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136. This made available \$5 billion CDBG Coronavirus (CDBG-CV) funds, \$4 billion in ESG Coronavirus (ESG-CV) and \$65 million in HOPWA supplemental funds to respond to the growing effects of the historic COVID-19 public health crisis.
- F. The CARES Act allocated funding to the City of Sacramento based upon fiscal year 2020 formulas in the following amounts: \$2,869,932 of CDBG-CV, \$1,453,941 of ESG-CV and \$218,082 of HOPWA supplemental allocation.

- G. The CARES Act allocated a second round of ESG-CV funding, ESG-CV2 to the City of Sacramento based upon a new formula in the amount of \$10,205,871.
- H. The CARES Act allocated a third round of CDBG-CV funding, CDBG-CV3 to the City of Sacramento based upon a new formula in the amount of \$3,600,966.
- I. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of CDBG-CV funds, including the suspension of the 15 percent cap on public services; reducing the public comment period to 5 days for consolidated plan and action plan amendments, and allowing the option of virtual hearings.
- J. The CARES Act authorized the HUD Secretary to grant waivers and alternative requirement of statutes and regulations in connection with the use of ESG-CV funds, including the suspension of the spending cap on emergency shelter and outreach activities; administrative cost cap is increased to 10 percent; funds are exempt from the match requirements; funds not subject to consultation and citizen participation requirements; subrecipients may deviate from applicable procurement standards; and supportive services are not a required to receive treatment.
- K. SHRA has applied and received for waivers for the CDBG-CV, ESG-CV and HOPWA supplemental funds.
- L. On March 2, 2021 the Non-Congregate Shelter Response plan was approved and on March 16, 2021 the X Street Navigation Center operations plan was approved, both of which directed SHRA to take actions necessary to provide these federal funds.
- M. The 2020-2024 Consolidated Plan, the 2020 Action Plan and the City and County of Sacramento Citizen Participation Plan were amended to accept and allocate the CARES Act funding by City Council Resolution No. 2020-0098.
- N. The 2021 Action Plan was approved on October 27, 2020 by City Council Resolution No. 2020-0350.
- O. On April 17, 2021 a notice to solicit comments on the proposed actions was published. The actions are scheduled to be approved at the Sacramento City Council meeting on May 18, 2021 which meets the 30-day public comment period requirement.
- P. The recommended actions are considered administrative activities and therefore are not considered a project subject to the California Environmental Quality Act (CEQA) pursuant to Guidelines Section 15378, and are exempt under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34(a)(1) and (3). Environmental reviews for individual activities or programs identified in the Action Plan will be completed prior to project commitment or choice limiting actions.
- Q. The 2020-2024 Consolidated Plan, the 2020 Action Plan and the City and County of Sacramento Citizen Participation Plan were amended to accept and allocate the CARES Act funding by City Council Resolution No. 2020-0098.

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

- Section 1.** All evidence presented having been duly considered, the findings are found to be true and correct and are hereby adopted.
- Section 2.** The 2021 One-Year Action Plan Substantial Amendment #1 allocates ESG-CV2 and CDBG-CV3 funds as described in Exhibit A is approved. SHRA is directed to submit the amended 2021 One-Year Action Plan to HUD.
- Section 3.** SHRA is authorized to amend its budget to allocate ESG-CV2 and CDBG-CV3 funding for programs and activities in accordance with the amended 2021 One-Year Action Plan and prior years' Action Plans as amended by any applicable amendments.
- Section 4.** The City Manager, or designee, is authorized to execute agreements with SHRA to carry out activities contained in the amended 2021 One-Year Action Plan and prior years' Action Plans, as amended by any applicable amendments, in compliance with applicable federal laws and regulations and approved as to form by SHRA Agency Counsel and the City Attorney.
- Section 5.** SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to execute agreements, documents and contracts with HUD and execute agreements, documents and contracts with the appropriate entities to carry out projects and programs in accordance with the amended 2021 One-Year Action Plan and prior years' Action Plans, as amended by any applicable amendments, in compliance with applicable federal laws and regulations and as approved by SHRA Agency Counsel.
- Section 6.** SHRA is authorized to make budget adjustments and execute any and all related documents as deemed necessary by SHRA to administer federal programs, including invoicing, contracts, and amendments, as described in the amended 2021 One-Year Action Plan as described in Exhibit A in compliance with applicable federal laws and regulations.

Table of Contents:

Exhibit A - 2021 Action Plan Amendment #1

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

May 5, 2021

SUBSTANTIALLY AMEND THE 2021 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS FOR THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT; AMENDMENT OF PRIOR YEARS' ACTION PLANS; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET; EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS RELATED TO THE CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY ACT

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

- Section 1.** All evidence presented having been duly considered, the Sacramento Housing and Redevelopment Commission accepts the findings which are found to be true and correct and are hereby adopted.
- Section 2.** Subject to approval of the Substantial Amendment to the 2021 One-Year Action Plan (Exhibit A) by the Sacramento City Council and the Sacramento County Board of Supervisors, the Executive Director, or her designee, is authorized to:
- Amend the SHRA budget to allocate the Community Development Block Grant-CDBG-CV3, Emergency Solutions Grant ESG-CV2 supplemental grant funding for programs and projects in accordance with the amendment of to 2021 One-Year Action Plan;
 - Execute agreements, contracts, and documents with Department of Housing and Urban Development and the appropriate entities to carry out the Action Plans' activities in compliance with adopted policies, guidelines and federal law, as approved to form by SHRA Counsel;
 - Submit the amended 2021 One-Year Action Plan to the United States Department of Housing and Urban Development; and
 - Allocate \$762,743 of Emergency Solutions Grant ESG-CV2 to the Housing Authority of the City of Sacramento (HACS) to use for the operation of the X Street Navigation Center, as determined by HACS.

CHAIR

ATTEST:

CLERK



May 5, 2021

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

Honorable Members in Session:

SUBJECT:

Annual Reports of the Housing Trust Fund Ordinance, Mixed Income Housing Ordinance, HOME Investment Partnerships Program, and Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance

RECOMMENDATION:

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

Respectfully Submitted


LA SHELLE DOZIER
Executive Director

Attachment



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

Consent
May 18, 2021

Honorable Mayor and Members of the City Council

Title: Annual Reports of the Housing Trust Fund Ordinance, Mixed Income Housing Ordinance, HOME Investment Partnerships Program, and Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance

Location/Council District: Citywide

Recommendation: Receive and file annual reports of the Housing Trust Fund Ordinance, Mixed Income Housing Ordinance, HOME Investment Partnerships Program, and Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance

Contact: Christine Weichert, Director, (916) 440-1353, Sacramento Housing and Redevelopment Agency

Presenters: Not applicable.

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue Detail: This report provides information to fulfill the annual reporting requirements of the City Housing Trust Fund (HTF) Ordinance, Mixed Income Housing Ordinance, HOME Investment Partnerships (HOME) Program and Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance for calendar year 2020. The Sacramento Housing and Redevelopment Agency (SHRA) administers these ordinances and funds on behalf of the City of Sacramento (City).

Housing Trust Fund - The City Housing Trust Fund Ordinance authorizes the collection of fees on non-residential construction to fund the development of low and very low-income housing. The HTF Ordinance was adopted in 1989 to raise local funds for affordable housing near employment centers. Fees imposed on non-residential developments generate revenue based on an economic nexus analysis which determined that the construction of commercial projects such as offices, business parks, hotels, warehouses, and shopping centers played a major role in attracting new very low- and low-income workers to Sacramento. See Attachment 2 for the Housing Trust Fund Annual Report for 2020.

Mixed Income Housing Ordinance - On September 1, 2015, City Council (Council) adopted a revised citywide Mixed Income Housing Ordinance (No. 2015-0029) effective November 1, 2015 (Ordinance). The Mixed Income Housing Ordinance requires an affordable housing impact fee for all new housing units and large subdivisions to assist with the provision of housing for a variety of incomes and household types. The fee-generated revenue is placed in the citywide Housing Trust Fund and is used to develop affordable housing units with the goal of increasing the supply available for lower-income workers. See Attachment 3 for the Mixed Income Housing Ordinance Annual Report for 2020.

HOME Investment Partnerships Program - The federal HOME Investment Partnerships Program provides grants to fund a wide range of activities, including construction, acquisition, and/or rehabilitation of affordable housing. See Attachment 4 for the HOME Program Annual Report.

SHRA follows the Multifamily Lending and Mortgage Revenue Bond Policies approved by the Council on December 3, 2019, for the allocation of the HTF, Mixed Income Housing Ordinance, and HOME funds. As approved by the Council on August 11, 2020, pre-applications for funding in 2021 will be accepted on January 4, August 2, and October 1 (based on funding availability).

Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance - On November 1, 2016, Council adopted an amendment to the Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance, No. 2016-0043 (Ordinance), City Code Chapter 18.20. Pursuant to the Ordinance, SHRA is required to provide an annual report on the number of residential hotel units withdrawn, the number of new units expected based on approved replacement housing plans, and the number of units constructed in anticipation of conversions or withdrawals. To comply with the Ordinance reporting requirements, SHRA sent correspondence in January 2020 to the owners of residential hotels subject to the Ordinance, including an annual certification on the status of the residential hotel. See Attachment 5 for the Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance Annual Report.

Other Affordable Projects – Other projects not captured in the attached reports include a) projects for which SHRA issued bonds but did not also provide gap financing and b) projects that were issued bonds by the California Housing Finance Agency (CalHFA) and did not receive gap financing from SHRA. Below is a list of such projects:

Project Name	Total Units*	Bond Issuer
1322 O Street	56	CalHFA
1717 S Street	159	CalHFA
Arden Way Apartments	120	CalHFA
Arena Senior	240	CalHFA
Northlake Senior Apartments	191	City Housing Authority
The A.J. (aka Revolve)	345	CalHFA

*Total may include non-regulated (e.g., manager, market rate) units.

Policy Considerations: Not applicable

Economic Impacts: None

Environmental Considerations: California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): There is no action being taken, therefore this is not a project pursuant to CEQA Guidelines Section 15378, and is an administrative action under NEPA and is therefore exempt pursuant to 24 Code of Federal Regulations 58.34(a)(3).

Sustainability Considerations: Not applicable

Commission Action: At its May 5, 2021 meeting, the Sacramento Housing and Redevelopment Commission reviewed the information contained in this report.

Rationale for Recommendation: Not applicable

Financial Considerations: The City Housing Trust Fund has collected a total of \$52,056,777 in fees, interest, and loan repayments since the inception of the fund in 1989. A total of \$36,086,194 has been expended on projects. After subtracting for projects with budgeted expenditures, the balance available for new projects was \$4,214,629 as of December 31, 2020.

The City Mixed Income Housing Ordinance has collected a total of \$5,679,980 in fees and interest since the inception of the revised Ordinance in 2015. A total of \$2,300,000 has been expended on projects. After subtracting for projects with budgeted expenditures, the balance available for new projects was \$1,589,568 as of December 31, 2020.

The City HOME Investment Partnerships Program received \$4,444,448 in entitlement, interest and loan repayments in 2020. A total of \$4,219,172 was expended on projects. After subtracting for funded projects, the balance available for new projects was \$2,700,454 as of December 31, 2020.

LBE - M/WBE and Section 3 requirements: Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent applicable. Local Business Enterprise requirements do not apply to this report.

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Attachments

1-Description/Analysis

2-Housing Trust Fund Ordinance Annual Report

3-Mixed Income Housing Ordinance Annual Report

4-HOME Investment Partnerships Program Annual Report

5-Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance Annual Report

**City of Sacramento
Housing Trust Fund Ordinance**

Annual Report

for

January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency

May 2021

HOUSING TRUST FUND ANNUAL REPORT FOR 2020

The Housing Trust Fund (HTF) ordinance was adopted in 1989 to provide local financing for affordable housing near employment centers (Chapter 17.708 of the Sacramento City Code). Fees on non-residential development generate the revenue based on an economic nexus analysis which determined that the construction of commercial developments such as offices, business parks, hotels, warehouses, and shopping centers played a major role in attracting new very low and low-income workers to Sacramento.

Due to the jobs/housing linkage, trust funds assist housing that is to be occupied by persons eligible to be in the labor force. The City's Housing Trust Fund benefits both very low and low-income households earning up to 80 percent of the area median income.

In 2001, the City Council (Council) amended the City Housing Trust Fund Ordinance to allow the use of commercial development impact fees paid into the North Natomas housing trust fund to be used for the same purposes as the citywide fund. Although the amendment integrated the purposes of the funds, it did not change their different fee schedules. The North Natomas fees are based on land use, while the City fees are based on building types.

On October 12, 2004, the Council approved Ordinance 2004-057 instituting an automatic annual increase for the Housing Trust Fund fee based on changes in the construction cost index. The automatic increase ensures that the fund keeps pace with housing construction costs.

To consolidate fees in one location, on February 14, 2017, the Council removed Chapter 17.708 of the Sacramento City Code and added Article IV to Chapter 18.56 to Title 18 of the Sacramento City Code, relating to the Development Impact Fee (DIF) program. The DIF program was developed to prioritize and restructure impact fees and includes the Housing Trust Fund fees. Council also approved Ordinance 2017-0013 to add Article IV to Chapter 18.56 and deleting Chapter 17.708 of the Sacramento City Code, relating to the Housing Trust Fund fee.

Citywide Developments
As of July 1, 2020

Building Type/HTF Fee Level (Fee/Sq.Ft.)	
Office	\$2.76
Hotel	\$2.63
Commercial	\$2.22
Manufacturing	\$1.73
Warehouse	\$0.76

The following City Housing Trust Fund Financial Information tables provide the following figures for the fund in 2020, including:

- beginning and ending balance
- revenue, including the amount of fees collected, interest earned, and income from loan repayments
- amount of expenditures for developments and operations
- amount budgeted, but not expended, for developments
- balance available for new developments

2020 City Housing Trust Fund Financial Information

Beginning Balance	
\$11,314,781	
Income	
Fees Collected	\$2,135,245
Interest	\$173,162
Loan Repayment	\$715,685
Total Income	\$3,024,092
Balance and Total Income	
\$14,338,873	
Expense	
Operations	\$253,828
Projects	\$2,225,939
Total Expense	\$2,479,767
Ending Balance	
Remaining Project Balances	\$7,644,477
Balance Available for Projects	\$4,214,629
Ending Balance	\$11,859,106

The 2020 City Housing Trust Fund Expenditures table below identifies current Housing Trust Fund developments, expenditures, and balance available. For each development, the chart also identifies the Housing Trust Fund restricted units, the total number of housing units, and the loan maturity date.

2020 City Housing Trust Fund Development Expenditures

Development	Address	HTF Units	Total Units	Total HTF Budgeted	HTF 2020 Expenditure	Remaining Balance	Loan Maturity Date
Mirasol Block A	1200 Richards Blvd.	28	104	\$5,000,000	\$0	\$5,000,000	12/1/2077
Bel-Vue	1123 8 th St.	13	22	\$2,100,000	\$270,000	\$416	7/1/2059
Capitol Park	1125 9 th St.	12	134	\$1,800,000	\$1,800,000	\$0	12/1/2077
Villa Jardin/Coral Gables	2621 Meadowview Road	10	82	\$1,900,000	\$155,939	\$1,744,061	N/A
On Broadway	1901 Broadway	5	140	\$900,000	\$0	\$900,000	N/A
TOTAL		68	482	\$11,700,000	\$ 2,225,939	\$ 7,644,477	

1989-2020 City Housing Trust Fund Income Report

Year	City Fees Collected	Interest Income	Loan Income	Total Income
1989-1994	4,245,331	95,501		4,340,832
1995	416,276	88,020		504,296
1996	656,201	103,340		759,541
1997	667,167	105,717	821	773,705
1998	1,637,034	184,924	49,188	1,871,146
1999	1,209,832	230,422	5,000	1,445,254
2000	710,079	272,790	15,000	997,869
2001	484,138	184,757	31,313	700,208
2002	2,336,496	10,105	23,642	2,370,243
2003	1,313,586	138,628	123,081	1,575,295
2004	1,166,373	3,642	979,864	2,149,879
2005	1,566,784	156,350	58,905	1,782,039
2006	2,913,727	226,675	204,225	3,344,627
2007	2,700,187	351,634	198,592	3,250,413
2008	2,270,234	273,355	222,170	2,765,759
2009	454,668	123,427	185,748	763,843
2010	257,702	158,357	192,127	608,186
2011	255,282	118,144	242,628	616,054
2012	130,389	235,339	199,417	565,145
2013	382,413	188,291	1,466,191	2,036,895
2014	387,879	191,146	362,430	941,455

2015	916,249	33,472	1,232,395	2,182,116
2016	1,969,735	51,082	2,170,588	4,191,405
2017	1,070,962	91,614	1,865,479	3,028,055
2018	1,894,459	162,374	171,977	2,228,811
2019	1,937,766	197,476	1,104,372	3,239,614
2020	2,135,245	173,162	715,685	3,024,092
Total	\$36,086,194	\$4,149,744	\$11,820,838	\$52,056,777

The City Housing Trust Fund Developments table and map identifies all properties which received Housing Trust Funds and the total number of units produced.

City Housing Trust Fund Developments

Project Status	Project Name	Total Units
Completed	1048 Jean Avenue	1
Completed	10th and T	13
Completed	1100 Harris Avenue	1
Completed	1221 Rivera Drive	1
Completed	1440 Rene Avenue	1
Completed	1500 Q Street	6
Completed	18th & L Mixed-Use Development	176
Completed	2151 68th Avenue	1
Completed	2221 63rd Avenue	1
Completed	2761 Utah Street	1
Completed	3836 Dayton St.	1
Completed	63 Butterworth Ave.	1
Completed	700 Block of K	137
Completed	729 Morrison Avenue	1
Completed	7445 Carella Drive	1
Completed	7588 Red Willow Street	1
Completed	7672 Manorside Drive	1
Completed	7860 Deerhaven Way	1
Completed	7th & H	150
Completed	Atrium Court Apartments	224
Completed	Bel-Vue Apartments	22
Completed	Copperstone Village	103
Completed	Coral Gables Apartments	4
Completed	Danbury Park	140
Completed	Del Paso Nuevo Phases I-III	77
Completed	Del Paso Nuevo Phase IV	37
Completed	Fremont Mews	119

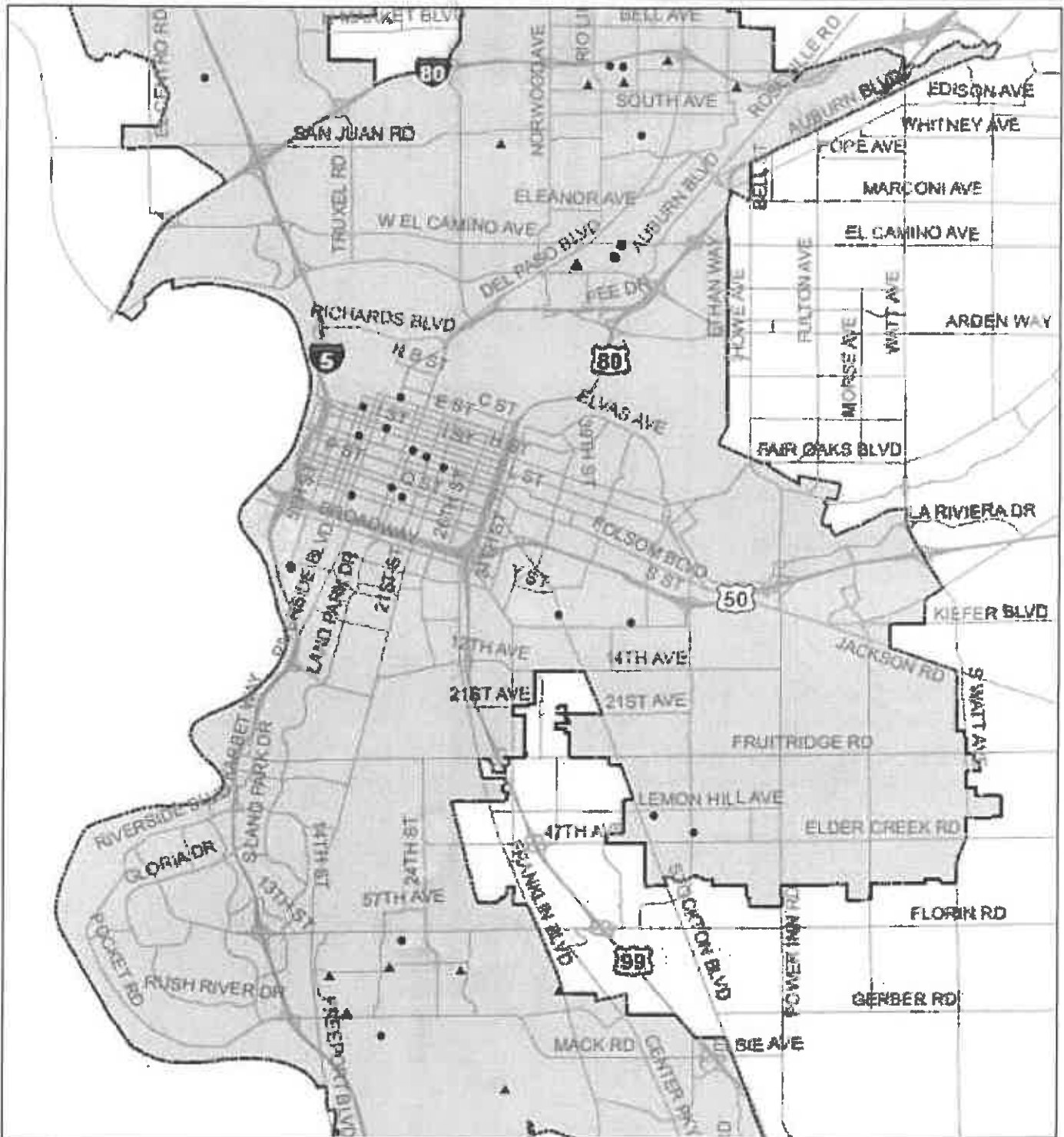
Attachment 2

Completed	Kelsey Village	20
Completed	Kennedy Estates Apartments	98
Completed	La Valentina	81
Completed	Land Park Woods	75
Completed	Lemon Hill Townhomes	74
Completed	Morrison Point Subdivision	22
Completed	North Avenue Apartments	80
Completed	Pensione K Apartments	137
Completed	Phoenix Park	360
Completed	Phoenix Park II	182
Completed	Ridgeway Studios	22
Completed	Silverado Creek Apartments	168
Completed	St Anton Building	64
Completed	Surreal Estates, Ink	11
Completed	Terracina Gold, Village 1 And 3	160
Completed	Terracina Gold, Village 2	120
Completed	Terracina Meadows Apartments	156
Completed	Valencia Point	168
Completed	Victory Townhomes/Evergreen Estates	76
Completed	Willow Glen	135
TOTAL UNITS		3,431

Parties interested in receiving notices of meetings at which this report is presented may request to be placed on a notification list. Notice of the time and place of the meeting will be mailed 15 days prior to the meeting. Written requests should be made to SHRA and are valid one year from the date on which they are filed. Renewal requests for mailed notices should be made on or before April 1st of each year.



Housing Trust Fund Expenditures



- City of Sacramento
- Single Family Housing Trust Fund Project
- Multifamily Housing Trust Fund Project



SHRA GIS
April 1, 2010

**City of Sacramento
Mixed Income Housing Ordinance**

Annual Report

for

January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency

May 2021

MIXED INCOME HOUSING ORDINANCE REPORT FOR 2020

On September 1, 2015, the City Council (Council) repealed Chapter 17.712 of the City Code, known as the Mixed Income Housing Ordinance (No. 2000-039), and adopted a revised citywide Mixed Income Housing Ordinance (No. 2015-0029) effective November 1, 2015 (Ordinance). As part of this revision, the City contracted with a consultant to perform a residential nexus analysis which demonstrates the relationship between the development of market-rate residential units and the need for additional workforce housing. The revised Ordinance requires an affordable housing impact fee for all new housing units and large subdivisions to provide housing for a variety of incomes and family types. The fee-generated revenue is placed in a citywide Housing Trust Fund and used to develop affordable housing units with the goal of increasing the supply available for low-income households earning up to 80 percent of the area median income.

Pursuant to subsection 17.712.070 of the revised Ordinance, this annual report provides information on revenue and production generated by the City Mixed Income Housing Ordinance's housing impact fees.

Housing Impact Fee As of July 1, 2020

Housing Type	Fee (per Square Foot)
Single-unit and duplex dwellings (less than 20 dwelling units per net acre)	\$2.95
High density single-unit and duplex dwellings (20 dwelling units per net acre or more*)	\$0.00
Multi-unit dwellings (less than 40 dwelling units per net acre)	\$2.95
High density multi-unit dwellings (40 dwelling units per net acre or more*)	\$0.00
Conversion of a nonresidential building to a residential use	\$0.00
Dwelling units in the Housing Incentive Zone (See Figure 1)	\$1.28

* "Net acre" for the purposes of this fee, means the total area of a site excluding portions that cannot be developed, such as public and private streets, and open space.

The following City Mixed Income Housing Financial Information tables provide the following figures for the fees generated in 2020, including:

- beginning and ending balance
- revenue, including the amount of fees collected and interest earned
- amount of expenditures for operations and developments
- amount budgeted, but not expended, for developments
- balance available for new developments

**2020 City Mixed Income Housing Fund
Financial Information**

Beginning Balance	
	\$ 4,230,927
Income	
Fees Collected (single/duplex dwellings)	\$ 1,059,719
Interest	\$ 56,907
Total Income	\$ 1,116,626
Balance and Total Income	
	\$ 5,347,553
Expense	
Operations	\$ 57,985
Projects	\$ 2,300,000
Total Expenses	\$ 2,357,985
Ending Balance	
Remaining Project Balances	\$ 1,400,000
Balance Available for Projects	\$ 1,589,568
Ending Balance	\$ 2,989,568

Production Accomplished

The City Mixed Income Housing Fund Expenditures table below identifies current funding commitments of a Mixed Income Housing development, expenditures and remaining balance. For each development, the chart also identifies the Mixed Income Housing restricted units, the total number of housing units and the loan maturity date.

2020 City Mixed Income Housing Fund Expenditures

Development	Address	MIHO Units	Total Units	Total MIHF Budgeted	MIHF 2020 Expenditure	Remaining Balance	Loan Maturity Date
Capitol Park	1125 9 th St	16	134	\$ 2,300,000	\$ 2,300,000	\$ 0	12/1/2077
Villa Jardin/Coral Gables	2621 Meadowview Road	7	82	\$ 1,400,000	\$ 0	\$ 1,400,000	TBD
TOTAL		23	216	\$ 2,700,000	\$ 2,300,000	\$ 1,400,000	

2016-2020 City Mixed Income Housing Fund Income Report

Year	Fees	Interest	Loan Income	Total Income
2016	\$ 565,192	\$ 0	\$ 0	\$ 565,192
2017	\$ 1,103,186	\$ 6,563	\$ 0	\$ 1,109,749
2018	\$ 626,768	\$ 30,399	\$ 0	\$ 657,167
2019	\$ 2,179,716	\$ 51,530	\$ 0	\$ 2,231,246
2020	\$ 1,059,719	\$ 56,907	\$ 0	\$ 1,116,626
TOTAL	\$ 5,534,581	\$ 145,399	\$ 0	\$ 5,679,980

SHRA follows its Multifamily Lending and Mortgage Revenue Bond Policies approved by Council on December 3, 2019 for the allocation of the Mixed Income Housing Ordinance funds.

Recommended Changes to Chapter 17.712

There are no recommended changes at this time.

Adjustments to the Fee

The fees established pursuant to this section shall be adjusted automatically to take into consideration inflation on July 1 of each year by a factor equal to the percentage increase, if any, in the construction cost index for San Francisco (based on 1913 U.S. average = 100) during the 12 months ending on the preceding March 1 as published by Engineer News Record/McGraw-Hill Construction Weekly, or any substitute index that the city council adopts by resolution.

Developments

No developments have been constructed to date; however, Capitol Park Hotel is expected to be completed during 2021.

**City of Sacramento
HOME Investment Partnerships Program
Annual Report
for
January 1, 2020 to December 31, 2020**

**Sacramento Housing and Redevelopment Agency
May 2021**

HOME INVESTMENT PARTNERSHIPS PROGRAM ANNUAL REPORT FOR 2020

The federal HOME Investment Partnerships Program (HOME) provides grants to fund a wide range of activities including construction, acquisition, and/or rehabilitation of affordable housing. SHRA administers these funds on the City's behalf as an entitlement jurisdiction. At least 20 percent of HOME-assisted units in each project must be reserved for households with incomes below 50 percent of Area Median Income (AMI) and the remaining reserved for households with incomes below 60 percent of AMI.

**2020 CITY HOME PROGRAM
FINANCIAL INFORMATION**

Beginning Balance	
\$8,477,154	

Income	
Entitlement	\$ 2,606,319
Interest	\$ 46,510
Loan Income	\$ 1,791,619
Total Income	\$ 4,444,448

Balance and Total Income	
\$12,921,602	

Expense	
Operations	\$ 270,923
Project Expenses	\$ 4,219,172
Total Expense	\$ 4,490,095

Ending Balances	
Remaining Project Balances	\$ 5,731,053
Balance Available for Projects	\$ 2,700,454
Ending Balance	\$ 8,431,507

2020 City HOME Program Expenditures

Project	Address	HOME Units	Total Units	Total HOME Budgeted	2020 HOME Expenditure	Remaining Balance	Loan Maturity Date
Bel-Vue	1123 8 th St	4	22	\$ 600,000	\$ 60,000	\$ 0	7/1/2059
Lavender Courtyard	16 th & F St	11	53	\$ 1,905,525	\$ 1,714,472	\$ 191,053	10/1/2077
Norwood Annex	3301 Norwood Av	11	15	\$ 1,100,000	\$ 0	\$ 1,050,000	5/1/2076
St Francis Terrace	2525 L St	11	48	\$ 2,247,000	\$ 254,700	\$ 0	4/1/2075
Victory Townhomes & Dixieanne	1075 & 1048 Dixieanne Ave	11	76	\$ 2,430,000	\$ 0	\$ 1,080,000	5/1/2076
Village Park	350 Morey Ave	11	50	\$ 919,800	\$ 0	\$ 0	4/1/2075
On Broadway	1901 Broadway	13	140	\$ 2,400,000	\$ 0	\$ 2,400,000	TBD
Capitol Park Hotel	1125 9 th St.	21	134	\$ 3,200,000	\$ 2,190,000	\$ 1,010,000	12/1/2077
TOTAL		93	538	\$14,802,325	\$4,219,172	\$5,731,053	

The City HOME Developments table identifies all properties that received HOME funds and the total number of units produced and currently regulated, followed by a map with the location of each development.

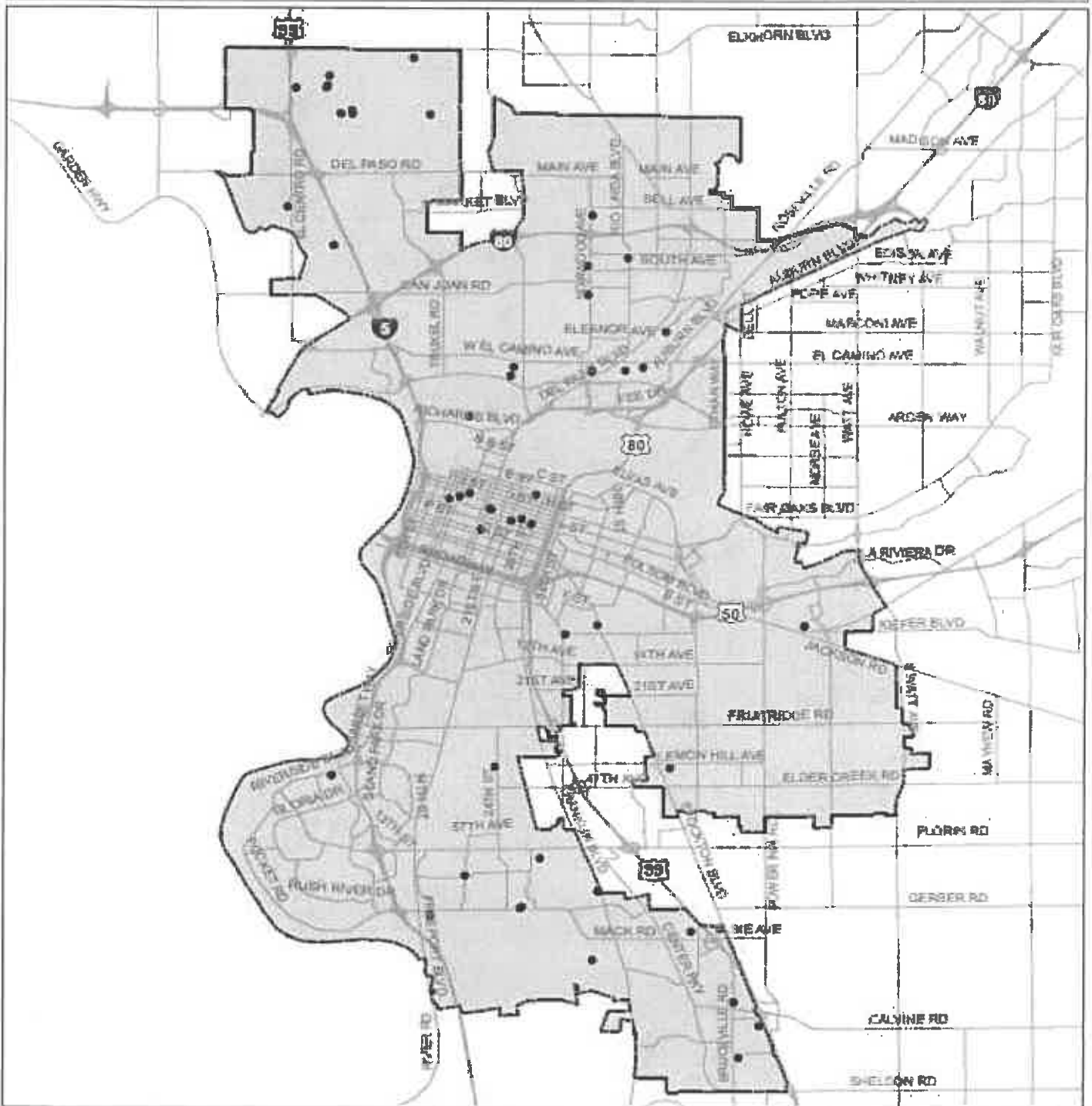
City HOME Developments

Project Name	Total Units
7th & H Street	150
Arbors (Oak Park Senior), The	56
Atrium Court	224
Bel-Vue	22
Broadway Sr.	120
Cannery Place (Township 9)	180
Casa de Angelo Sr.	100
Casa Natomas Sr.	59
Copperstone I Family	103
Coral Gables	3
Creekside Village Sr.	296
Curtis Park Court	91
Dixieanne Apts. (Evergreen Estates)	55
Florin Meadows	244

Forrest Palms Sr.	40
Fremont Building	69
Glen Ellen Circle	35
Globe Mills	143
Greenfair Sr.	386
Hurley Creek Sr.	207
Kelsey Village	20
La Valentina	81
Land Park Woods	75
Lemon Hill	73
Natomas Park	213
Northpointe Park	180
Norwood Annex	15
Pensione K	129
Phoenix Park I	178
Phoenix Park II	182
Quinn Cottages	60
Ridgeway Studios	22
River Garden Estates	124
Russell Manor Senior	66
Serna Village	83
Shenendoah	100
Sherwood	14
Shiloh Arms	106
Sierra Vista	78
Silverado Creek	85
Southcrest	30
St. Anton Building	65
St. Francis Terrace	48
Steven's Place Apts.	16
Victory Townhomes	21
Villa Jardin Apts.	44
Village Park	50
Washington Plaza	76
Washington Square	40
Westview Ranch	126
Whispering Pines Apts.	96
Willow Tree	108
Woodhaven Sr.	104
TOTAL UNITS	5,291



HOME Fund Expenditures



City of Sacramento



Multifamily Home Fund Project



SHRA GIS
April 1, 2019

**City of Sacramento
Residential Hotel Unit Withdrawal, Conversion,
and Demolition Ordinance**

Annual Report

for

January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency

May 2021

**RESIDENTIAL HOTEL UNIT WITHDRAWAL, CONVERSION, AND DEMOLITION
ORDINANCE ANNUAL REPORT**

Beginning in the 1920s, residential hotels were a major source of affordable housing in the downtown Sacramento area. By 1986, sixteen residential hotels remained. To mitigate the effect of displacement of very low income households (who were the hotels' primary residents) as the hotels were closed, the Sacramento City Council (Council) adopted an ordinance requiring that relocation benefits be paid to residents of Single Room Occupancy (SRO) residential hotels upon withdrawal or conversion to other uses.

Adoption of the 1986 relocation ordinance followed a moratorium on residential hotel conversion passed in 1983 in response to the loss of six hotels from the 1970s to 1983. In 2006, Council adopted an amendment to the relocation ordinance that specifically identified ten SRO hotels and required that relocation benefits be paid to residents in the event of a conversion or demolition of one of these properties. The amended relocation ordinance also imposed an obligation on the City to maintain an inventory of not less than 712 SRO units.

On November 1, 2016, Council adopted an amendment to the Residential Hotel Unit Withdrawal, Conversion, and Demolition Ordinance, No. 2016-0043 (Ordinance), City Code Chapter 18.20. Council approved the amendments to the Ordinance and other technical changes. The amendments included removal of rehabilitated, regulated or replaced SROs, and required the remaining four un-rehabilitated and un-regulated SROs to remain subject to the Ordinance (Exhibit A - Residential Hotels Map).

Pursuant to the Ordinance, the Sacramento Housing and Redevelopment Agency (SHRA) is required to provide an annual report on the number of residential hotel units withdrawn, the number of new units expected based on approved replacement housing plans, and the number of units constructed in anticipation of conversions or withdrawals. In order to comply with Ordinance reporting requirements, SHRA sent correspondence in January of 2020 to the owners of residential hotels subject to the Ordinance, including an annual certification on the status of the residential hotel (Exhibit B - Residential Hotel Certification Summary).

SRO Residential Hotels Subject to the Ordinance

The Ordinance currently pertains to the following four residential hotels:

Subject to the Ordinance

- Congress (unregulated)
- Golden (unregulated)
- Sequoia (unregulated)
- Capitol Park (under rehabilitation; will be 134 regulated units)

Replacement/Withdrawn Units

A list of replacement and withdrawn units covered by the Ordinance is included in Exhibit B. The Sequoia is experiencing a higher than usual vacancy rate (27%) due to applicants having financial/credit background issues. The owner of the Sequoia is receiving referrals from Volunteers of America to help occupy the units with eligible residents.

Replacement units must be comparable units with rents that do not exceed 40% of the Sacramento area median income (AMI), are located in close proximity to transportation and services, and have recorded affordability covenants.

Boulevard Court

Information on the 75-unit Boulevard Court development, completed in 2011, is also included in the Certification Summary pursuant to the development's special permit and Council Resolution 2008-526 (Exhibit C - Boulevard Court Certification Summary).

Exhibit A: Residential Hotels Map

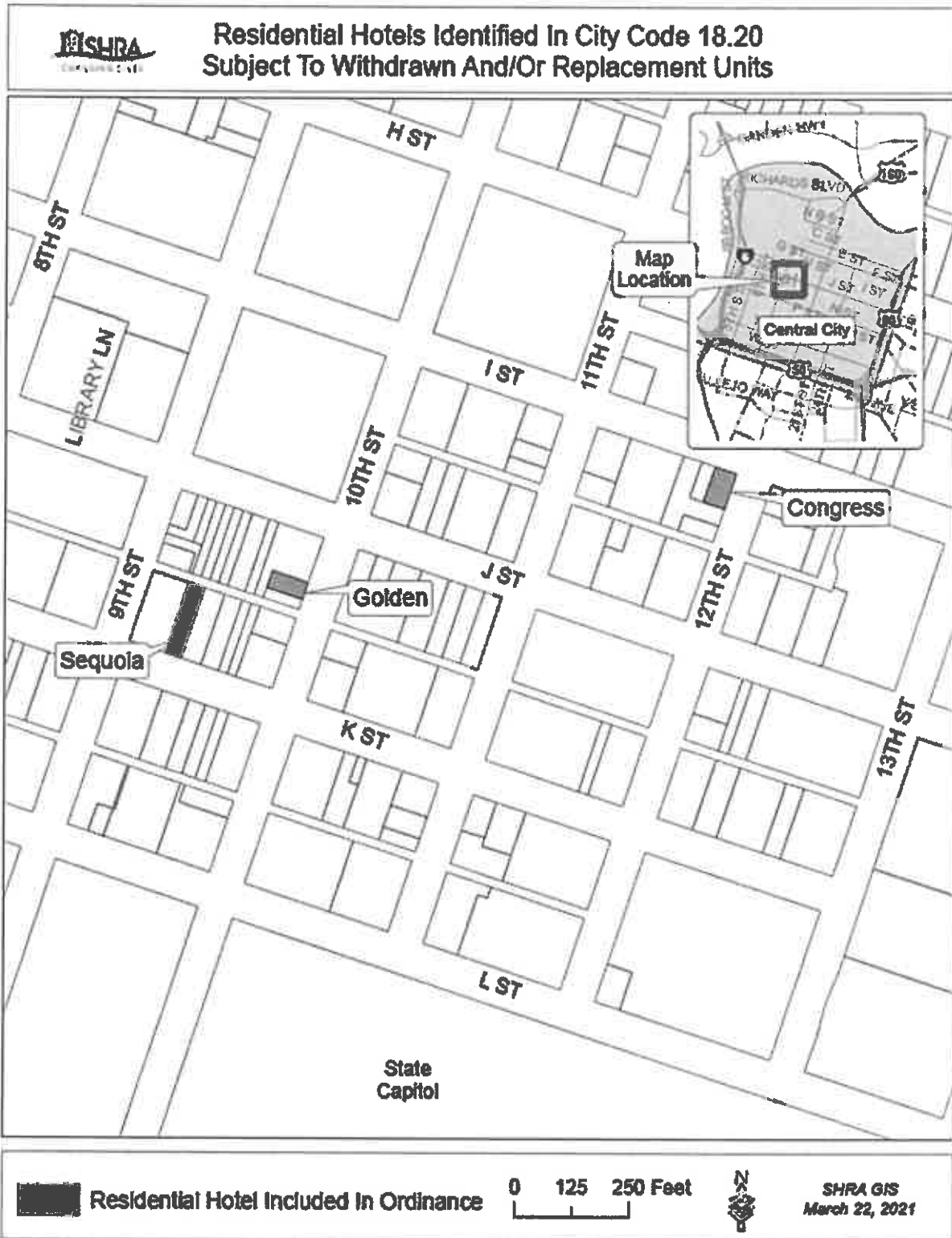


Exhibit B: Residential Hotels Certification Summary

NON-REGULATED UNITS SUBJECT TO THE ORDINANCE					
Property	Address	Total No. Vacant Units	Original & Current No. Units	Monthly Rent with Bathroom	Monthly Rent without Bathroom
Congress	906 12th St.	3	27	\$625	\$600
Golden	1010 10th St.	3	26	N/A	\$675
Sequoia	911 K St.	24	90	\$535	\$510
Subtotal			143		

REGULATED/REPLACEMENT UNITS		
Property	Address	Current No. Units
7 & H	625 H St.	150
Bel-Vue	1123 8 th St.	5
Cannery Place	601 Cannery Ave.	2
Capitol Park Hotel	1125 9th Street	134
Globe Mills	1131 C St.	12
La Valentina	429 12th St.	11
Lavender Courtyard	1616 F St.	48
Mirasol Village Block A	1200 Richards Blvd.	22
Mirasol Village Blocks B and E	321 Eliza St.	15
Ridgeway Studios	914 12th St.	22
Shasta	1017 10th St.	79
Studios at Hotel Berry	729 L St.	105
The WAL	1108 R St.	21
YWCA	1122 17th St.	32
Subtotal		658

TOTAL UNITS	
Total Subject to the Ordinance and Regulated/Replacement Units	801
Total Required per the Ordinance	712
Total Surplus/Banked Units	89

Exhibit C: Boulevard Court Certification Summary

Address	Total Number Vacant Units	Current No. Units with Bathroom	Monthly Rent with Bathroom (1 bedroom)	Monthly Rent with Bathroom (Studio)	Resident Services
5321 Stockton Blvd.	0	75	\$804	\$730	Yes



May 5, 2021

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

Honorable Members in Session:

SUBJECT:

**Annual Reports of the Housing Trust Fund (HTF), Affordable Housing Ordinance,
and HOME Investment Partnerships Program (HOME)**

RECOMMENDATION:

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

Respectfully Submitted


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
May 18, 2021

To: Board of Supervisors

Through: Ann Edwards, Interim County Executive
Bruce Wagstaff, Deputy County Executive, Social Services

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

Subject: Annual Reports of the Housing Trust Fund (HTF),
Affordable Housing Ordinance, and HOME Investment
Partnerships Program (HOME)

District(s): All

RECOMMENDED ACTION

Receive and file the annual reports of the Housing Trust Fund, Affordable Housing Ordinance and HOME.

BACKGROUND

This report provides information on the status of the County Housing Trust Fund Ordinance, Affordable Housing Ordinance and HOME for calendar year 2020. The Sacramento Housing and Redevelopment Agency (SHRA) administers these funds on behalf of the County of Sacramento.

Housing Trust Fund - The County Housing Trust Fund ordinance authorizes the collection of fees on non-residential construction to fund very low-income housing. The ordinance requires an annual report to the Board of Supervisors. The HTF ordinance was adopted in 1990 to raise local financing for affordable housing near employment centers. Fees on non-residential developments generate revenue based on an economic nexus analysis. The analysis determined that the construction of commercial projects such as offices, business parks, hotels, warehouses, and shopping centers played a major role in attracting new very low- and low-income workers to Sacramento. See Attachment 1 for the Housing Trust Fund Annual Reports.

Affordable Housing Ordinance - The County Affordable Housing Ordinance created a standard affordable housing fee on residential construction and

provides a variety of other options for developers to satisfy affordable housing obligations. On February 25, 2014, the Sacramento County Board of Supervisors (Board) repealed Chapter 22.35 of the County Code known as the County's Affordable Housing Ordinance (Repealed Ordinance) and adopted a revised Ordinance (Ordinance) on March 26, 2014. Affordable Housing Program Guidelines (Guidelines) were approved by the Board on June 9, 2015. Though the Ordinance requires a biennial report, SHRA is reporting on the Ordinance annually to align with the HTF report. See Attachment 2 for the Affordable Housing Ordinance Annual Report.

HOME Investment Partnership Program – The federal HOME program provides grants to fund a wide range of activities including construction, acquisition, and/or rehabilitation of affordable housing. See Attachment 3 for HOME Annual Report.

SHRA follows the Multifamily Lending and Mortgage Revenue Bond Policies approved by the Board on September 24, 2019, for the allocation of the HTF, Affordable Housing Ordinance, and HOME funds. As approved by the Board on July 28, 2020, pre-applications for funding in 2021 will be accepted on January 4, August 2, and October 1 (based on funding availability).

Other Affordable Projects – Other projects not captured in the attached reports include a) projects for which SHRA issued bonds but did not also provide gap financing and b) projects that were issued bonds by the California Housing Finance Agency (CalHFA) or other bond issuers and did not receive gap financing from SHRA. Below is a list of such projects:

Project Name	Total Units*	Bond Issuer
Bldwell Place Apartments	75	CalPFA
The Parkway Apartments	72	CalHFA

*Total may include non-regulated (e.g., manager, market rate) units.

COMMISSION ACTION

At its meeting of May 5, 2021, the Sacramento Housing and Redevelopment Commission reviewed the information contained in this report.

POLICY CONSIDERATIONS

No action is required and no policy changes are being recommended.

ENVIRONMENTAL REVIEW

California Environmental Quality Act and National Environmental Policy Act: There is no action being taken, therefore this is not a project pursuant to

California Environmental Quality Act Guidelines Section 15378, and is an administrative action under NEPA and is therefore exempt pursuant to 24 CFR 58.34(a)(3).

M/WBE/SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent applicable. Local Business Enterprise requirements do not apply to this report.

FINANCIAL ANALYSIS

The County Housing Trust Fund has collected a total of \$47,174,223 in fees, interest, and loan repayments since the inception of the fund in 1990. A total of \$41,175,021 has been expended on projects. After accounting for 2020 revenue and subtracting for projects with budgeted expenditures, the balance available for new projects was \$1,215,072 as of December 31, 2020.

The County Affordable Housing Program has collected a total of \$12,681,528 in fees, interest, and loan repayments since the inception of the revised Ordinance in 2014. A total of \$4,553,745 has been expended on projects. After subtracting for funded projects, the balance available for new projects was \$7,595,252 as of December 31, 2020.

The County HOME Program collected a total of \$4,464,592 in entitlement, interest and loan repayments in 2020. A total of \$2,584,668 was expended on projects. After subtracting for funded projects, the balance available for new projects was \$6,521,098 as of December 31, 2020.

Respectfully Submitted,

APPROVED
ANN EDWARDS
Interim County Executive


LA SHELLE DOZIER, Executive Director
Sacramento Housing and
Redevelopment Agency

By: _____
BRUCE WAGSTAFF
Deputy County Executive

**Annual Reports of the Housing Trust Fund, Affordable Housing Ordinance,
and HOME Investment Partnership Program
Page 4**

Attachment(s):

- ATT 1 – Housing Trust Fund Annual Report for 2020**
- ATT 2 – Affordable Housing Ordinance Report for 2020**
- ATT 3 – HOME Annual Report for 2020**

Sacramento County Housing Trust Fund
Annual Report
for
January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency
May 2021

HOUSING TRUST FUND ANNUAL REPORT FOR 2020

The County Housing Trust Fund (HTF) ordinance was adopted in 1990 to raise local financing for affordable housing near employment centers. Fees on non-residential developments generate revenue based on an economic nexus analysis. The analysis determined that the construction of commercial projects such as offices, business parks, hotels, warehouses, and shopping centers played a major role in attracting new very low- and low-income workers to Sacramento. The fee-generated revenue is used to develop affordable housing units with the goal of increasing the supply available for lower income workers. SHRA administers these funds on behalf of the County of Sacramento (County).

The County's HTF benefits very low-income households who earn up to 50 percent of the County median income. The jobs/housing linkage requires that housing projects funded with HTF be occupied by persons in the labor force.

Pursuant to the Mitigation Fee Act (Government Code §66000 et. seq.), this report provides the public with information on revenue and production generated by the County Housing Trust Fund for calendar year 2020.

Current Fee Schedule

Building Use	Fee Per Square Foot
Office	\$0.97
Hotel	\$0.92
Research & Development	\$0.82
Commercial	\$0.77
Manufacturing	\$0.61
Warehouse	\$0.26

The following County Housing Trust Fund Financial Information tables provide financial information for the fund in 2020, including:

- beginning and ending balance
- revenue, including the amount of fees collected, interest earned, and income from loan repayments
- amount of expenditures for projects and operations
- amount budgeted, but not expended, for projects
- balance available for new projects

2020 County Housing Trust Fund Financial Information

Beginning Balance	
	\$367,995

Income	
Fees Collected	\$940,357
Interest	\$7,164
Loan Repayment	\$131,327
Total Income	\$1,078,848

Balance and Total Income	
	\$1,446,843

Expense	
Projects	\$132,094
Operations	\$49,677
Total Expense	\$181,771

Ending Balance	
Remaining Project Balances	\$50,000
Balance Available for Projects	\$1,215,072
Ending Balance*	\$1,265,072

**Ending balance does not reflect funding commitments made in 2021 (i.e., Cornerstone approved 4/20/21 for \$816,000).*

The interest earnings include both interest earned from the investment pool and interest earned from the interest portion of Housing Trust Fund loan repayments.

The 2020 County Housing Trust Fund Expenditures table, below, identifies current HTF projects, expenditures, and balance available. For each project the chart also identifies the HTF restricted units, the total number of housing units, and the loan maturity date.

2020 County Housing Trust Fund Expenditures

Project	Address	HTF Units	Total Units	Total HTF Budgeted	2020 HTF Expenditure	Remaining Balance	Loan Maturity Date
Colonia San Martin	7271 Florin Mall Drive	40	60	\$2,100,000	\$132,094	\$50,000*	11/19/2062
TOTAL		40	60	\$2,100,000	\$132,094	\$50,000	

*Colonia San Martin has a remaining balance available for operating reserves. Construction of this project is complete.

1991- 2020 County Housing Trust Fund Income Report

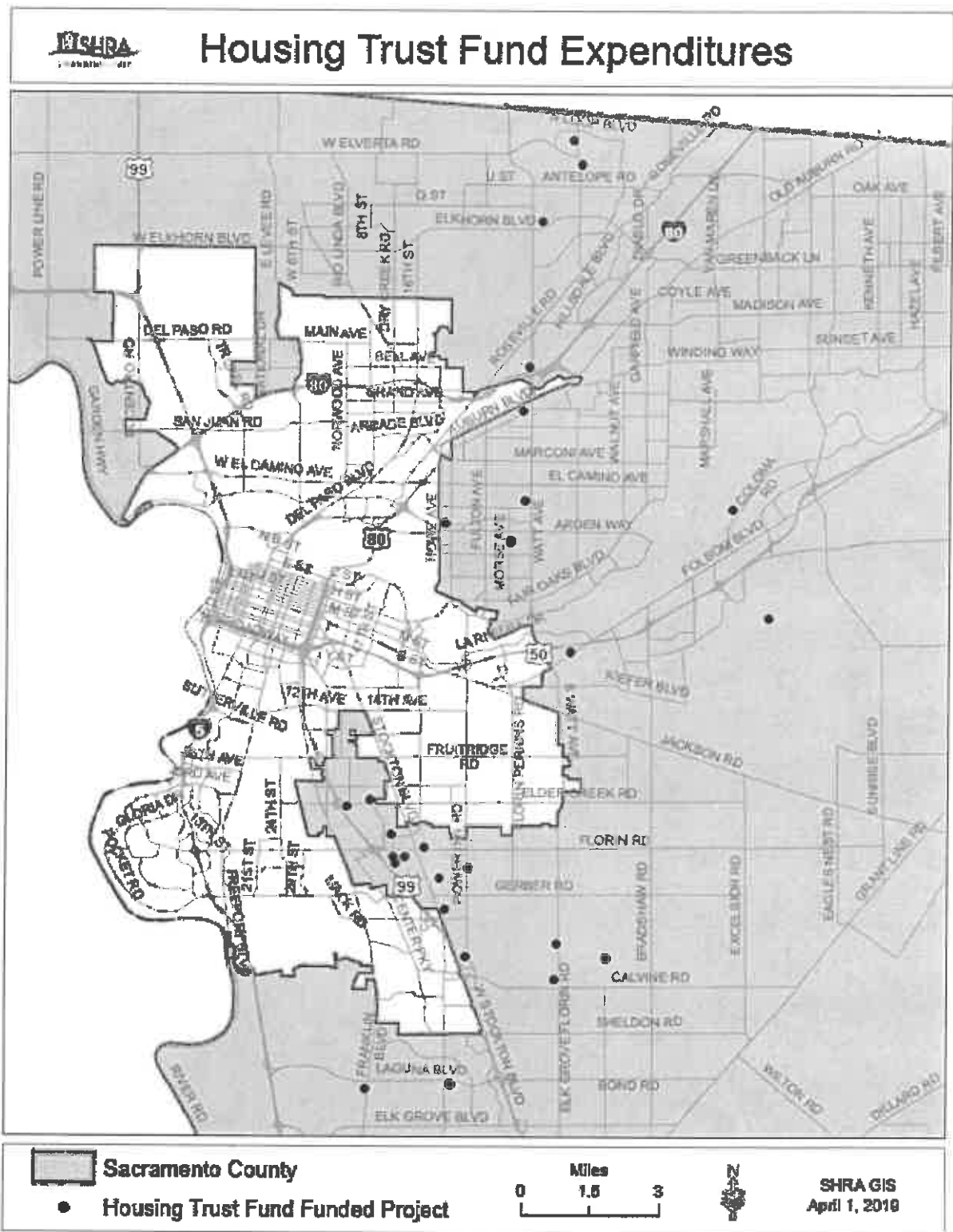
Year	Fees	Interest	Income	Total Income
1991-1993	\$ 4,337,485	\$ 587,152	\$ -	\$ 4,924,637
1994	\$ 774,285	\$ 159,238	\$ -	\$ 933,523
1995	\$ 1,508,924	\$ 130,937	\$ 9,840	\$ 1,649,701
1996	\$ 1,051,242	\$ 167,955	\$ 14,500	\$ 1,233,697
1997	\$ 1,894,423	\$ 204,847	\$ 25,043	\$ 2,124,313
1998	\$ 2,636,297	\$ 154,380	\$ 534,170	\$ 3,324,847
1999	\$ 1,065,536	\$ 323,039	\$ 108,612	\$ 1,497,187
2000	\$ 2,164,212	\$ 420,805	\$ 118,073	\$ 2,703,090
2001	\$ 2,334,409	\$ 519,351	\$ 429,323	\$ 3,283,083
2002	\$ 1,177,864	\$ 327,057	\$ 70,023	\$ 1,574,943
2003	\$ 1,238,436	\$ 286,061	\$ 79,224	\$ 1,603,721
2004	\$ 1,076,037	\$ 283,381	\$ 830,788	\$ 2,190,206
2005	\$ 1,394,429	\$ 108,026	\$ 49,510	\$ 1,551,965
2006	\$ 731,093	\$ 409,360	\$ 66,279	\$ 1,206,732
2007	\$ 744,941	\$ 492,043	\$ 81,824	\$ 1,318,808
2008	\$ 797,206	\$ 388,626	\$ 121,439	\$ 1,307,272
2009	\$ 218,366	\$ 248,569	\$ 140,425	\$ 607,360
2010	\$ 67,427	\$ 235,588	\$ 193,611	\$ 496,626
2011	\$ 118,195	\$ 287,400	\$ 206,869	\$ 612,464
2012	\$ 243,621	\$ 278,580	\$ 210,414	\$ 732,616
2013	\$ 350,148	\$ 483,884	\$ 718,437	\$ 1,552,468
2014	\$ 354,655	\$ 904,552	\$ 1,609,790	\$ 2,868,997
2015	\$ 451,431	\$ 36,608	\$ 2,456,386	\$ 2,944,424
2016	\$ 393,295	\$ 46,291	\$ 1,399,838	\$ 1,839,424
2017	\$ 176,982	\$ 42,524	\$ 1,019,684	\$ 1,239,190
2018	\$ 230,559	\$ 20,401	\$ 116,351	\$ 367,311
2019	\$ 294,174	\$ 2,825	\$ 109,771	\$ 406,770
2020	\$ 940,357	\$ 7,164	\$ 131,327	\$ 1,078,848
TOTAL	\$ 28,766,028	\$ 7,556,645	\$ 10,851,549	\$ 47,174,223

The County Housing Trust Fund Developments table identifies all properties which received Housing Trust Funds and the total number of units produced. The location of each of the Housing Trust Fund Expenditures are detailed in the table below, followed by a map of the development locations.

County Housing Trust Fund Developments

Project Status	Project Name	Total Units
Completed	Acacia Meadows Apartments	140
Completed	Anton Arcade	148
Completed	Arbor Creek Family Apartments	102
Completed	Arlington Creek Apartments	148
Completed	Asbury Place	104
Completed	Auberry Park	112
Completed	Churchill Downs Apartments	204
Completed	Colonia San Martin	60
Completed	Cordova Meadows Apartments/Park Meadows	183
Completed	Courtyard Inn	92
Completed	Crossroads Gardens	70
Completed	Danbury Park	140
Completed	Ethan Terrace	92
Completed	Fleming Phase II	15
Completed	Fleming Place	30
Completed	Greenway Village	54
Completed	Los Robles (Sky Parkway)	80
Completed	Mather Transitional Housing (Phase II)	273
Completed	Morse Glen Estates (Lerwick)	50
Completed	Norden Terrace Apartments	204
Completed	Olivewood Apartments	68
Completed	Pacific Rim/Sunnyslope	31
Completed	Sac Veterans Resource Center	32
Completed	Saybrook	61
Completed	Southwind Court	88
Completed	Terracina Laguna	136
Completed	Terracina Vineyard	64
Completed	Village Crossings Apartments	196
Completed	TOTAL UNITS	2,977

Parties interested in receiving notices of meetings at which this report is heard may request to be placed on a notification list. Notice of the time and place of the meeting will be mailed 15 days prior to the meeting. Written requests should be made to SHRA and are valid one year from the date on which they are filed. Renewal requests for mailed notices should be made on or before April 1st of each year.



Sacramento County Affordable Housing Ordinance

Annual Report

for

January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency

May 2021

AFFORDABLE HOUSING ORDINANCE ANNUAL REPORT FOR 2020

On February 25, 2014, the Sacramento County Board of Supervisors (Board) repealed Chapter 22.35 of the County Code known as the County's Affordable Housing Ordinance (Repealed Ordinance), and adopted a revised Ordinance (Ordinance) on March 26, 2014. The revised Ordinance creates a standard affordable housing fee accessible to all developers (with limited exceptions) and also provides a variety of other options an applicant/developer may choose to satisfy a development project's affordable housing obligations. As part of this revision, the County contracted with a consultant to perform a residential nexus analysis that demonstrates the relationship between the development of market rate residential units and the need for additional affordable housing. In order to implement the Ordinance, the County and SHRA prepared the Affordable Housing Program Guidelines (Guidelines) and the County approved the Guidelines on June 9, 2015.

Ordinance Section 22.35.060 (D) calls for biennial reports to monitor the performance of the affordable housing program, including the number of units produced, the amount of land dedicated and purchased, the amount of funds collected and expended and the level of affordability of units constructed. Though the Ordinance requires a biennial report, SHRA is electing to report on the Ordinance annually to align with the Housing Trust Fund report. This annual report quantifies affordable housing production since the adoption of the revised Ordinance during the reporting period encompassing calendar year 2020.

Under the new Ordinance, new residential development projects have the following options to comply with the affordable housing requirement:

- Pay an affordability fee on all newly constructed market-rate units;
- Comply with the development project's approved affordable housing plan if one exists under the repealed ordinance; or
- Enter into a development agreement or other form of agreement with the County, which provides for a fee credit for land dedication, construction of affordable housing units, or other mechanism that leads to the production of affordable housing in an amount at least equivalent to the affordability fee.
- Purchase Unit Credits for affordable housing units banked with SHRA.

Current Fee Schedule

As of March 1, 2021, the current affordability fee is equal to \$3.04 per habitable square foot of each market rate residential unit and is paid concurrently with payments for building permit fees for the development project. The fee is adjusted annually based on the Building Cost Index 20-City Average published by Engineer News-Record/McGraw Hill. The 2020 fee was \$2.92 per habitable square foot of market rate unit.

2020 COUNTY AFFORDABLE HOUSING PROGRAM FINANCIAL INFORMATION

Beginning Balance	
	\$6,736,869

Income	
Fees Collected	\$1,815,042
Interest	\$94,551
Total Income	\$1,909,593

Balance and Total Income	
	\$8,646,462

Expense	
Operations	\$171,226
Projects	\$68,765
Total Expense	\$239,991

Ending Balance	
Remaining Project Balances	\$811,217
Balance Available for Projects	\$7,595,252
Ending Balance*	\$8,406,469

**Ending balance does not reflect funding commitments made in 2021 (i.e., Cornerstone approved 4/20/21 for \$6,432,000).*

At least 10 percent of the affordability fees collected are to be utilized to generate extremely low-income units by buying down affordability in very low-income units constructed as a result of the ordinance or constructed on dedicated sites.

At least fifty percent of the affordability fees collected must be used to produce affordable housing in large development projects consisting of at least 750 residential units. To fulfill the intent of the Ordinance, the County and SHRA are recommending large development projects comply with the affordable housing requirement through a combination of land dedication and affordability fee payment. Strategies will be determined on a project by project basis.

2020 County Affordable Housing Ordinance Expenditures

Project	Address	AHO Units	Total Units	Total AHO Budgeted	2020 AHO Expenditure	Remaining Balance	Loan Maturity Date
Saybrook Apartments	4390 47 th Avenue	4	88	\$750,000	\$0	\$750,000	TBD
Southwind Court	7371, 7399, 7401 Power Inn Road	7	88	\$1,238,745	\$68,765	\$0	6/1/2059
TOTAL		11	176	\$1,988,745	\$68,765	\$750,000	

2005-2013 Old Ordinance Income Report

Year	Fees	Interest	Income	Total Income
2005	\$66,700	(\$506)	-	\$66,194
2006	\$231,725	\$444	-	\$ 232,169
2007	\$ 884,525	\$17,384	-	\$901,909
2008	\$453,100	\$32,165	-	\$485,265
2009	\$142,237	\$18,558	-	\$160,795
2010	\$502,900	\$15,146	\$1,115,250	\$1,633,296
2011	\$259,375	\$13,417	-	\$ 272,792
2012	\$112,800	\$14,962	\$118,023	\$245,785
2013	\$690,651	\$10,226	-	\$700,877
TOTAL	\$3,344,013	\$121,796	\$1,233,273	\$4,699,082

2014- 2020 County Affordable Housing Ordinance Income Report

Year	Fees	Interest	Income	Total Income
2014	\$409,946	\$12,132	\$6,623	\$428,700
2015	\$1,709,997	\$17,235	(\$6,873)	\$1,720,360
2016	\$1,813,392	\$30,383	\$16,532	\$1,860,307
2017	\$1,193,116	\$49,087		\$1,242,203
2018	\$3,234,916	\$70,682		\$3,305,599
2019	\$2,113,733	\$101,032		\$2,214,766
2020	\$1,815,042	\$94,551		\$1,909,593
TOTAL	\$12,290,142	\$375,103	\$16,282	\$12,681,528

Other Development Options

Compliance with the revised Ordinance requires coordination among the project sponsor/developer, SHRA staff and County staff. If a developer enters into a development agreement, a project’s application for entitlements includes preparation of an Affordable Housing Strategy which details how the affordable obligation will be met. The strategy is approved by the County Board of Supervisors concurrently with the project’s first legislative entitlements. An Affordable Housing Regulatory Agreement is then executed between the Developer and SHRA concurrently with the final map for the project.

Production Accomplished

The Unit Production table identifies all affordable units constructed under the Repealed Ordinance and the Revised Ordinance.

The Regulatory Agreement is recorded on the property’s Title and remains in effect for either 30 years (for-sale units) or 55 years (rental units), during which rents remain affordable. Completed projects are monitored by SHRA’s Portfolio Management Department for the duration of the Regulatory Agreement.

2020 AFFORDABLE HOUSING PROGRAM UNIT PRODUCTION*

REVISED ORDINANCE

2014 - 2020	Units Constructed			
	ELI	VLI	LI	Total Units**
Courtyard Inn (adaptive re-use)	0	7	7	92
Southwind Court (rehabilitation)	1	3	0	88
Total	1	10	7	180

*Includes rehabilitation as well as new construction.

**Total includes all restricted, unrestricted, and management units.

REPEALED ORDINANCE

2004-2013	Units Constructed		
	ELI	VLI	LI
Glenwood #5 Subdivision (Single Family)	0	0	4
2009-2010			
Arbor Creek Family (Multi-family)	41	41	19
Arbor Creek Senior (Multi-family)	7	32	20
Corsair Park Senior Apartments (Multi-family)	0	11	6
Norden Terrace Apartments (Multi-family)	0	20	10
Varenna Senior (Multi-family)	0	13	6
2007-2008			
Vineyard Creek/Vineyard Pointe (Multi-family)	35	71	70
Sierra Sunrise II (Multi-family)	0	2	1
Colonia San Martin (Multi-family)	0	6	3
Robbin's Nest (Single Family)	0	0	1
Foothill Farms Senior (Multi-family)	0	17	8
Mutual Housing at the Highlands (Multi-family)	0	8	4
2005-2006			
Walerga Road Apartments (Multi-family)	0	0	26
Total Units Constructed by Affordability	83	221	178
Total Units Constructed	482		

Land Dedication

No transfer of dedicated land or land purchase has occurred.

Unit Purchase Program

No unit credits were purchased.

Sacramento County HOME Investment Partnerships Program

Annual Report

for

January 1, 2020 to December 31, 2020

Sacramento Housing and Redevelopment Agency

May 2021

HOME INVESTMENT PARTNERSHIPS PROGRAM ANNUAL REPORT FOR 2020

The federal HOME Investment Partnerships Program (HOME) provides grants to fund a wide range of activities including construction, acquisition, and/or rehabilitation of affordable housing. SHRA administers these funds on the County's behalf as an entitlement jurisdiction. At least 20 percent of HOME-assisted units in each project must be reserved for households with incomes below 50 percent of Area Median Income (AMI) and the remaining reserved for households with incomes below 65 percent of AMI. This report quantifies affordable housing production with HOME funds during the reporting period encompassing the calendar year 2020.

The County of Sacramento is part of a HOME Consortium, which is a means by which local governments that would not otherwise qualify for federal funding to join with other contiguous units of local government to directly participate in the HOME program. The Cities of Citrus Heights, Folsom, Isleton, Galt, and Rancho Cordova are members of the County of Sacramento's HOME Consortium.

2020 COUNTY HOME PROGRAM FINANCIAL INFORMATION

Beginning Balance	
\$17,590,345	

Income	
Entitlement	\$3,282,381
Interest	\$137,896
Loan Income	\$1,044,315
Total Income	\$4,464,592

Balance and Total Income	
\$22,054,937	

Expense	
Operations	\$838,839
Project Expenses	\$2,584,668
Total Expense	\$3,423,507

Ending Balance	
Remaining Project Balances	\$12,110,332
Balance Available for Projects	\$6,521,098
Ending Balance	\$18,631,430

**Ending balance does not reflect funding commitments made in 2021 (i.e., Sage at Folsom approved 3/23/21 for \$800,000).*

2020 County HOME Program Expenditures

Project	Address	HOME Units	Total Units	Total HOME Budgeted	2020 HOME Expenditure	Remaining Balance	Loan Maturity Date
Courtyard Inn	3425 Orange Grove Ave	11	92	\$1,500,000	\$250,000	\$0	10/1/2075
Southwind Court	7371, 7399, 7401 Power Inn	11	88	\$1,600,000	\$160,000	\$0	6/1/2059
Sunrise Pointe	7424 Sunrise Blvd	17	47	\$3,580,000	\$0	\$3,580,000	TBD
Pacific Rim	6620 Sunnyslope Dr.	10	32	\$2,455,000	\$1,729,011	\$725,989	3/1/2062
Mutual on the Boulevard	7351 Stockton Blvd.	35	127	\$6,900,000	\$0	\$6,900,000	TBD
RAD Phase 1	4500 Perry Av 4930 El Paraiso 8223 Waleria	5	70	\$950,000	\$445,657	\$504,343	7/1/2077
Saybrook	4390 47 th Ave	2	88	\$400,000	\$0	\$400,000	TBD
TOTAL		91	544	\$17,385,000	\$2,584,668	\$12,110,332	

The County HOME Developments table identifies all properties that received HOME funds and the total number of units produced and currently regulated, followed by a map with the location of each development.

County HOME Developments

Project Name	Total Units
Anton Arcade Apartments	148
Arbor Creek Family	102
Arbor Creek Senior	68
Ardenaire Apartments	53
Asbury Place	105
Ashford Heights (The Oaks)	300
Bell Street Apartments	18
Breckenridge Village	160
Broadway Senior	120
Cardosa Village	20
The Cascades (Village East Apartments)	112
Centennial Place	15
Colonia San Martin	60
Cottage Estate Apartments	152
Courtyard Inn	92
Creekview Manor Senior (Folsom Senior)	138
Crossroad Gardens	70
Curtis Park Court Apartments	91
Diogenes Youth Center	2
Ethan Terrace Apartments	92
Folsom Oaks	19
Foothill Farms Senior	138
Forestwood at Folsom	55
Garden Village (Willow Pointe)	195
Globe Mills	143
Greenbriar Apartments	138
Greenway Village	54
Grizzly Hollow III	54
Hastings Park	242
La Loma	34
Ladi Senior	147
Land Park Woods	75
Los Robles (Sky Parkway)	79
Lotus Landing (Azure Park)	220
Mercy Village Folsom (Duchow Homes)	80
Morse Glen Estates	50
Mulberry Gardens (Campus Gardens)	126
Normandy Park Senior	116
Olivewood	68

Rosswood Manor	97
Serna Village	84
Shiloh Arms	106
Sierra Vista Apartments	78
Sierra Creek	144
Sierra Sunrise Senior	119
Sierra Sunrise Senior – Phase 2	20
Sky Parkway Terraces Senior	59
Southwind Court	88
Sutter Place Apartments	47
Terracina Park Meadows	144
Varena Senior Apartments	152
The Verandas	180
Vintage Woods Senior	185
Waterman Square	84
TOTAL UNITS	5,538

