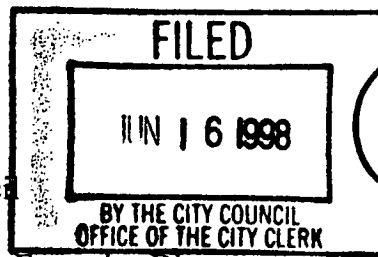


June 11, 1998



W2.12

TO: Sacramento City Council  
FROM: Anne M. Moore, Acting Executive Director  
SUBJECT: SHRA Budget Workshop Information

CONTINUED  
FROM 06-16-98 afternoon  
TO 06-16-98 evening

Based on the CIP Budget workshop discussion of June 9, 1998, staff has prepared the attached schedules which provide some of the information that you requested. The attachments include the following:

	<u>Page</u>
Housing information	
• Summary of City housing projects by funding source	3
• A brief description of the funding source and its primary uses	4
• Detailed listing of each City housing project	5
Community Development Block Grant (CDBG) program information	
• Summary of approved projects by major categories for 1998	7
• Listing of all approved CDBG appropriations for 1998	8
• A matrix of CDBG activities	11

SUMMARY

Housing information:

The summary page identifies the City and joint City/County housing projects by funding source and categorizes the funding source as either discretionary or mandatory for housing. The summary page identifies that 90 percent of the housing projects are funded by sources that can only be use for various housing purposes. Within the City projects, the only discretionary funds are those using CDBG and CDBG program income funds (i.e. rehabilitation revolving loans). Of the projects funded by CDBG, the Emergency Repair Program (ERP), Homeowner Assistance Repair Program for seniors (HARP's) and paint programs are not eligible for other housing funding source such as HOME, redevelopment low/moderate housing funds or housing trust funds.

CDBG information:

During 1997, the City Council approved the 5-year Consolidated Plan which include the CDBG, HOME, HOPWA and ESG programs. The 5-year Consolidated Plan establishes the frame to guide the Annual Action Plans for these programs. The 1998 Action Plan is consistent with the citizen comments received. The 1999 and future year allocation keeps the proportionate share. The 1998 allocation is unusually high because of reprogramming of prior years allocation for projects that had saving or were never initiated. The entitlement received by the City has declined somewhat as the U.S. Department of Housing and Urban Development recalculates the communities shares annually. We have projected that the entitlement will decrease at a three percent rate per year.



P.O. Box 1834

Sacramento

CA 95812-1834

916-444-9210

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SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Sacramento City Council

June 11, 1998

Page Two

We have also provided a listing of activities related to the CDBG program. Currently, Agency staff has been charged with the responsibility for administering the HUD programs for the City and County. This has enable the Agency to effectively manage these programs and to reduce duplication of staff if both the City and County administer the program directly. By having the HUD programs coordinated by one staff, we have been able to become experts in the HUD requirements, can use effective processes for both the City and County and can eliminate considerable amount of duplications for such things as contracts with sub-grantees which receives funding by both entities.

We hope that the attached charts help provide the information you requested. We will be happy to clarify any questions you may have prior or during the June 16 budget workshop.



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ANNE M. MOORE  
Acting Executive Director

## Summary of Housing Projects by Funding Source

Funding Source	Appropriations	
<u>City Projects</u>		
Community Development Block Grant	\$ 503,354	Discretionary
Rehabilitation Revolving (CDBG) Loans	\$ 316,951	Discretionary
HOME	\$ 2,316,504	Mandatory
Conventional and Comp Grant Housing	\$ 4,206,120	Mandatory
Housing Trust Fund	\$ 1,309,658	Mandatory
Tax Increment	\$ 1,394,625	Mandatory
	<u>\$ 10,047,212</u>	
<u>Joint City/County Projects</u>		
Riverview Plaza - Commercial	\$ 129,910	Mandatory
Mortgage Revenue Bonds	\$ 324,137	Discretionary
Tax Increment	\$ 516,452	Mandatory
	<u>\$ 970,499</u>	
Total City and Joint Housing	<u>\$ 11,017,711</u>	
Total Mandatory Housing	\$ 9,873,269	90%
Total Discretionary Housing	\$ 1,144,442	10%
	<u>\$ 11,017,711</u>	

## Brief Description of Funds

Community Development Block Grant (CDBG) – The CDBG Program was authorized under Title I of the Housing and Community Development Act of 1974. Its primary objective is to develop viable urban communities through the provision of decent housing, a suitable living environment, and economic opportunity principally for low- and moderate-income persons. Historically, in Sacramento, funds have been utilized for capital improvements, housing preservation and renovation, and economic revitalization in low income, blighted areas as well as direct assistance to low and moderate income persons.

Rehabilitation Revolving (CDBG) Loans – Funds generated from loan repayments of rehabilitation loans to low- and very low-income persons. The original funding source of these loans was from CDBG funding, and by historical policy direction, all loan repayments are used to make additional loans.

Home Investment Partnership (HOME) – The HOME program was enacted under Title II of the Cranston-Gonzales National Affordable Housing Act of 1990. Its primary purposes are: to expand the supply of affordable housing, primarily rental housing, for very low-income and low-income residents; to increase the capacity of state and local government to provide such housing; and to encourage innovation in meeting affordable housing needs through such means as public-private partnerships, particularly with non-profit organizations. All housing assisted with HOME funds must be occupied by households with incomes less than 80 percent of the regional median adjusted for family size.

Conventional and Comp Grant Housing – Funding provided by the U.S. Department of Housing and Urban Development for modernization and rehabilitation of Agency operated low-income housing.

Housing Trust Fund – Fees collected by the City from private developers in lieu of building replacement affordable housing. These fees are passed through to SHRA for acquisition, rehabilitation, and development of low-income housing.

Tax Increment Low and Moderate Income Housing – Funds generated pursuant to California Redevelopment Law to provide for the replacement and establishment of low and moderate income housing. Twenty percent of the total tax increments are required to be used for low- and moderate-income housing.

Riverview Plaza – Commercial – Funds generated from the administration of Riverview Plaza Commercial operations. These funds have been used to support tenant improvements for the commercial space and to rehabilitate major systems in the residential portion of the facility.

Mortgage Revenue Bonds – Funds generated from the administration of the Mortgage Revenue Bond and Mortgage Credit Certificate Programs. These funds have multiple uses. The administrative fees are generally received from projects approved by the Board of Supervisors. Over 90% of the MRB administrative fees are within the County's jurisdiction.

## 1998 CITY PROJECTS

Funding Source	Project Type	Description	Appropriation
Community Dev Block Grant - City	Housing	Neighborhood Paint Program	\$250,000
Community Dev Block Grant - City	Housing	Emergency Repair Program	\$120,000
Community Dev Block Grant - City	Housing	HARP/s	\$15,000
Community Dev Block Grant - City	Housing	Relocation Loans	\$10,000
Community Dev Block Grant - City	Housing	Non-Profit NOFA	\$32,046
Community Dev Block Grant - City	Housing	Owner Rehabilitation	\$41,554
Community Dev Block Grant - City	Housing	Building Code Inspection	\$34,754
Rehabilitation Revolving (CDBG) Loans - City	Housing	Single Family Housing Rehabilitation	\$289,751
Rehabilitation Revolving (CDBG) Loans - City	Housing	Neighborhood Housing Services	\$27,200
HOME - City	Housing	Downpayment Assistance	\$800,000
HOME - City	Housing	Owner Rehabilitation	\$57,257
HOME - City	Housing	Acquisition Rehabilitation	\$988,247
HOME - City	Housing	Commercial Conversion to Residential Use	\$471,000
Conventional Housing - City	Housing	Interior Paint Program	\$75,000
Conventional Housing - City	Housing	Modernization Project	\$200,000
Ping Yuen Center	Housing	Demolition	\$46,663
Conv Housing - ACC - Modernization - City	Housing	Public Housing Improvements	\$3,884,100
Multi-Family Rental Rehab Program - City	Housing	Multi-Family Rental Rehabilitation	\$357
Housing Trust Fund - City	Housing	Housing Developers Assistance	\$1,307,523
Housing Trust Fund - City - North Natomas	Housing	Housing Developers Assistance	\$2,135
1990 Tax Allocation Bonds - Downtown - L/M	Housing	City Boarded/Vacant	\$350,500
1990 Tax Allocation Bonds - Downtown - L/M	Housing	CADA Projects	\$18,108
1990 Tax Allocation Bonds - Downtown - L/M	Housing	Pre-Apprenticeship	\$95,391
1990 Tax Allocation Bonds - Downtown - L/M	Housing	Housing Developers Assistance	\$12,554
1993 Tax Alloc Rev Bond - Dwntn - Tax Ex - CIP	Housing	Housing Infrastructure	\$904
1993 Tax Alloc Rev Bond - Dwntn - Tax Ex - CIP	Housing	CADA Projects	\$381,892
1993 Tax Alloc Rev Bond - Dwntn - Tax Ex - CIP	Housing	R Street NOFA	\$284,904
Redevelopment Area - Alkali Flat - L/M - CIP	Housing	Housing Developers Assistance	\$24,956
Redevelopment Area - Oak Park - L/M - CIP	Housing	Boarded/Vacant Single Family	\$172,689
Redev Area - North Sacramento - L/M - CIP	Housing	Housing Developers Assistance	\$52,727
			\$10,047,212

## 1998 JOINT CITY/COUNTY PROJECTS

Funding Source	Project Type	Description	Appropriation
Riverview Plaza - Commercial	Housing	Miscellaneous Projects	\$129,910
Mortgage Revenue Bonds	Housing	Public Housing Home Ownership	\$20,000
Mortgage Revenue Bonds	Housing	Miscellaneous Projects	\$304,137
Redev Area - Franklin Boulevard - L/M - CIP	Housing	Acquisition Rehab - Multi-Family Distressed Property	\$342,230
Redev Area - Franklin Boulevard - L/M - CIP	Housing	Housing Developers Assistance	\$167,050
Redev Area - Stockton Boulevard - L/M - CIP	Housing	Housing Developers Assistance	\$5,056
Redev Area - Auburn Boulevard - L/M - CIP	Housing	Housing Developers Assistance	\$2,116
			\$970,499

**COMMUNITY DEVELOPMENT BLOCK GRANT SUMMARY OF REVENUES AND APPROPRIATIONS**

	PERCENT	1998	1999	2000	2001	2002
<b>AVAILABLE RESOURCES</b>						
Entitlement (3% reduction per year)		\$6,458,000	\$6,264,260	\$6,076,332	\$5,894,042	\$5,717,221
Program income		1,887,697	1,800,000	1,800,000	1,800,000	1,800,000
Reprogramming of prior year funds		834,051	-	-	-	-
<b>TOTAL AVAILABLE RESOURCES</b>		<b>\$9,179,748</b>	<b>\$8,064,260</b>	<b>\$7,876,332</b>	<b>\$7,694,042</b>	<b>\$7,517,221</b>
<hr/>						
<b>TOTAL PROGRAM ADMINISTRATION</b>	<b>14%</b>	<b>\$1,281,076</b>	<b>\$1,125,405</b>	<b>\$1,099,178</b>	<b>\$1,073,739</b>	<b>\$1,049,063</b>
<b>CAPITAL IMPROVEMENTS</b>						
NS Area 1 projects (20%)		406,780	357,350	349,022	340,944	333,109
NS Area 2 projects (19%)		386,441	339,482	331,571	323,897	316,453
NS Area 3 projects (31%)		630,509	553,892	540,984	528,464	516,319
NS Area 4 projects (30%)		610,170	536,024	523,533	511,416	499,663
<b>TOTAL CAPITAL IMPROVEMENTS</b>	<b>22%</b>	<b>\$2,033,900</b>	<b>\$1,786,748</b>	<b>\$1,745,110</b>	<b>\$1,704,721</b>	<b>\$1,665,544</b>
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>40%</b>	<b>\$3,679,657</b>	<b>\$3,232,519</b>	<b>\$3,157,189</b>	<b>\$3,084,119</b>	<b>\$3,013,241</b>
<b>TOTAL HOUSING</b>	<b>10%</b>	<b>\$941,651</b>	<b>\$827,225</b>	<b>807,948</b>	<b>789,249</b>	<b>771,110</b>
<b>TOTAL PUBLIC SERVICE</b>	<b>14%</b>	<b>\$1,243,464</b>	<b>\$1,092,363</b>	<b>\$1,066,907</b>	<b>\$1,042,214</b>	<b>\$1,018,263</b>
<b>TOTAL APPROPRIATIONS</b>	<b>100%</b>	<b>\$9,179,748</b>	<b>\$8,064,260</b>	<b>\$7,876,332</b>	<b>\$7,694,042</b>	<b>\$7,517,221</b>



# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM ALLOCATION FOR 1998

PROGRAM DESCRIPTION	PERCENT	1998
<b>PROGRAM ADMINISTRATION &amp; PLANNING</b>		
CDBG Grant Management		\$318,849
Community Development staff		\$824,620
Human Rights Fair Housing Comm		\$114,107
Social Services Implementation		<u>\$23,500</u>
<b>TOTAL PROGRAM ADMINISTRATION</b>	<b>14%</b>	<b>\$1,281,076</b>
 <b>CAPITAL IMPROVEMENTS</b>		
NS Area 1 projects (20%)		
Neighborhood Enhancing Projects		\$61,780
Midtown - lighting		\$250,000
Midtown - lighting (Blue Diamond)		\$50,000
Midtown - 16th Street		\$45,000
NS Area 2 projects (19%)		
Neighborhood Enhancement		\$25,000
Franklin Villa - traffic signal		\$100,000
Franklin Villa - park improvements		\$25,000
Franklin Villa - park site leasing		\$3,960
Franklin Villa - traffic safety improvements		\$59,481
Meadowview - community center		\$53,000
Meadowview - Florin Road landscaping		\$100,000
Meadowview - Community Action Building		\$20,000
NS Area 3 projects (31%)		
Neighborhood Enhancing Projects		\$93,148
Stockton Blvd - SCUSD Skills Ctr.		\$77,361
Stockton Blvd - Fruitridge & Stockton St Imps		\$150,000
Franklin Blvd - La Familia Counseling Center		\$100,000
Woodbine		\$50,000
Avondale/Glen Elder - Park Improvements		\$60,000
Avondale/Glen Elder - Fruitridge Rd Imps		\$100,000
NS Area 4 projects (30%)		
Sec 108 loan repay - Del Paso Nuevo		\$257,055
Ben Ali - Princeton Street Improvements		\$153,115
East Del Paso Heights		\$100,000
Strawberry Manor - Street Improvements		<u>\$100,000</u>
<b>TOTAL CAPITAL IMPROVEMENTS</b>	<b>22%</b>	<b>\$ 2,033,900</b>

# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM ALLOCATION FOR 1998

PROGRAM DESCRIPTION	PERCENT	1998
<b>ECONOMIC DEVELOPMENT</b>		
Community Based Development Organization - (North Sacramento, Stockton, Franklin)		\$80,000
Oak Park Commercial Coordinator		\$40,000
Underwriting		\$40,000
Economic Development Assistance (loans&grants)		\$259,236
Economic Development Incentives		\$100,000
Mack Road Emerging Cooridors		\$50,000
Florin Road Partnership Business Incentives		\$75,000
Grow Sacramento loan program		\$53,744
Enterprise Zone		\$50,000
Welfare to Work		\$250,000
Section 3 ( job development) program		\$50,000
Youth Enterprenuership program		\$150,000
Pre- Apprenticeship training program		\$250,000
Sec 108 Loan repayment for North Sacramento		\$147,004
Sec 108 Loan for Blue Diamond		\$1,202,778
Sec 108 Loan Business Incubator		\$32,820
Sec 108 Loan for Franklin/Stockton Boulevards		\$121,565
Development Services		\$162,391
Economic Development Program implementation		<u>\$565,119</u>
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>40%</b>	<b>\$3,679,657</b>
<b>HOUSING</b>		
Neighborhood Paint Program		\$250,000
Non-Profit Notice of funding availability		\$32,046
Owner Rehabilitation		\$41,554
Building Code Inspection		\$34,754
Neighborhood Housing Services		\$27,200
Emergency repair program (ERP)		\$120,000
Homeowner Assistance Repair Program for Seniors (HARP'S)		\$15,000
Relocation Loans		\$10,000
Sec. 108 loan repay - Public Housing		\$111,097
Housing Program Implementation		<u>\$300,000</u>
<b>TOTAL HOUSING</b>	<b>10%</b>	<b>\$941,651</b>

# COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM ALLOCATION FOR 1998

PROGRAM DESCRIPTION	PERCENT	1998
<b>PUBLIC SERVICES</b>		
County Dept. Human Assistance (DHA) - Senior Nutrition		\$191,972
DHA - Transitional Living Community Support		\$142,140
DHA - St Johns Shelter		\$15,000
DHA - Lutheran Social Services		\$16,113
DHA - VOA Detox Shelter		\$46,000
DHA - Sacramento Area Emergency Housing Center		\$180,739
Human Rights Fair Housing - Tenant/Landlord hot line		\$25,000
Infoline		\$79,000
Workreation		\$250,000
Franklin Villa Resource Center		\$100,000
Stockton Blvd Resource Center		\$12,500
Invitation for Proposals for Youth Activities		\$100,000
La Raza Galeria Posada		\$30,000
Safe Streets		\$50,000
Life Guard Training		<u>\$5,000</u>
<b>TOTAL PUBLIC SERVICE</b>	<b>14%</b>	<b>\$1,243,464</b>
<b>TOTAL APPROPRIATIONS</b>	<b>100%</b>	<b>\$9,179,748</b>

**SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
MATRIX OF COMMUNITY DEVELOPMENT BLOCK GRANT ACTIVITIES**

<u>ACTION PLAN</u>	<u>CITY</u>	<u>COUNTY</u>
<b>PROGRAMMATIC RESPONSIBILITIES</b>		
5-Year Consolidated Plan	CDBG HOME ESG HOPWA	CDBG HOME ESG
Annual Action Plan	CDBG HOME ESG HOPWA	CDBG HOME ESG
Consolidated Annual Performance Reporting System	CDBG HOME ESG HOPWA	CDBG HOME ESG

**CDBG ADMINISTRATIVE TASKS**

Program Administration	Yes	Yes
Citizen participation process	Yes	Yes
Inter-agency coordination plan (DHA, HR/FHC, SETA, CSPC, Sacramento Enriches, United Way, etc)	Yes	Yes
IDIS - automated reporting system	Yes	Yes
Contracts, sub-recipient agreements	Yes	Yes
Eligibility review and compliance	Yes	Yes
County Human Assistance coordination	Yes	Yes
Reporting & monitoring	Yes	Yes
OEOC, Section 3 and M/WBE compliance	Yes	Yes
Analysis of impediments to Fair housing	Yes	Yes
Financing reporting		
Fund types		
Entitlement funds by year of entitlement	Yes	Yes
Proram Income-Loans receivable	Yes	Yes
Section 108 funds	Yes	Yes
Debt service for Section 108 loans	Yes	Yes
Blue Diamond loan	Yes	
Weekly cash reimbursements thru IDIS	Yes	Yes
Financial monitoring of sub-recipients	Yes	Yes
Quarterly federal cash transaction report	Yes	Yes

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
1998 REVENUE SUMMARY

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<b>REDEVELOPMENT</b>		Joint (>4%) County (>1%)
City - 96%		
<b>OTHER</b> (7% of total)	City - 76%	County - 24%
<b>CONSOLIDATED PLAN</b> (22% of total) CDBG, HOME, HOPWA, ESG	City - 56%	County - 44%
<b>ASSISTED HOUSING</b>	City - 56%	Other - 13% County - 31%
<b>SECTION 8</b> (29% of total) <i>\$30 million</i>	City - 46%	Joint - 10% County - 44%

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# 1997

January	February	March	April	May	June	July	August	September	October	November Council Approves 1998 CDBG Budget & HUD Application	December
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# 1998

January	February	March	April	May	June 1998 CDBG Projects included in City Budget	July	August	September	October Council Approves 1999 CDBG Budget & HUD Application	November	December
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# 1999

January	February	March	April	May	June 2000 & 5yr Plan CDBG Projects Included in City Budget	July	August	September	October Council Approves 2000 CDBG HUD Application	November	December
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# 1997

January	February	March	April	May	June	July	August	September	October	November	December
										<b>November Council Approves 1998 CDBG Budget &amp; HUD Application</b>	

# 1998

January	February	March	April	May	June	July	August	September	October	November	December
					<b>June 1998 CDBG Projects included in City Budget</b>				<b>October Council Approves 1999 CDBG Budget &amp; HUD Application</b>		

# 1999

January	February	March	April	May	June	July	August	September	October	November	December
					<b>June 2000 &amp; 5yr Plan CDBG Projects Included in City Budget</b>				<b>October Council Approves 2000 CDBG HUD Application</b>		