



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



8

March 20, 1990

Budget & Finance Committee
Transportation/Community
Development Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: Various Matters Regarding Consolidation of Facilities
for the Homeless at 12th and North B Streets

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency and Housing Authority of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolutions approving the purchase of property and budget amendments.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

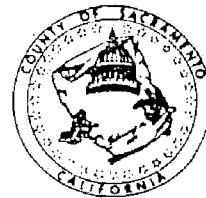
TRANSMITTAL TO COMMITTEE:

SOLON WISHAM, JR.
Assistant City Manager

Attachment



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



March 19, 1990

Redevelopment Agency and
Housing Authority of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Several Actions Necessary to Continue Progress on
Consolidation of Facilities for the Homeless at 12th and
North B Streets

SUMMARY

This report regards the acquisition of land and the interim financing of improvements in the Richards Boulevard area for facilities and activities associated with the Authority's homeless program. The project sites are depicted on the attached map. The staff recommends adoption of the attached resolutions authorizing the Executive Director to purchase the subject site and complete the improvements.

BACKGROUND

On June 27, 1989, the City Council acting as itself, the Housing Authority and the Redevelopment Agency adopted a comprehensive policy for location/administration of facilities for the homeless in the Richards Boulevard area and authorized staff to pursue acquisition of land and to develop certain facilities and activities associated with the homeless program.

In the fall of 1989, pursuant to the June 1989 resolution, staff completed the installation of temporary modular shelters to accommodate 60 men and 20 women. (These units were opened with the understanding they were to be replaced within four years with a permanent facility.) Furthermore, in November, 1989, the Authority purchased three contiguous parcels immediately adjacent to the existing Salvation Army site. More recently, in February 1990, the Salvation Army Annex was rehabilitated for 52 beds and opened for occupancy. This facility, immediately east of the Salvation Army site, was acquired in August 1989 and is in part the subject of this report.

Also pursuant to the June resolution, the staff has been actively seeking potential sites in the Richards Boulevard area for the permanent facility referenced above and for the eventual relocation

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City of Sacramento

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of the Front Street 'Detox' center, both of which are a part of the approved plan. One very appropriate site is immediately south of the three parcels acquired in November. Agency staff have worked for nearly a year to arrange to purchase the site from the probate estate which currently owns it. The Attorney for the estate has recently notified the Authority that he is proceeding with a hearing for the sale of the property on March 28, 1990, and if the Authority is interested we should be prepared to bid for the site at that time. It is our understanding that a tentative offer of \$25,000 has been made for the property by another prospective purchaser. The staff is suggesting that we be authorized to spend up to \$40,000 for the parcel, which equates to approximately \$4.00 per square foot. This cost is well within the range of acceptability, considering that the parcels acquired in November cost approximately \$6.00 per square foot with improvements.

The acquisition of this site would bring the total amount of land acquired to date in the plan area to approximately 42,700 square feet for future expansion of the homeless facility and associated uses. (Staff estimates that at least four additional acres will be required to properly plan and build all of the future homeless and detox facilities currently envisioned. The most likely site is property currently owned by the Southern Pacific Transportation Company where our modular facilities are currently located, and we will continue to negotiate for that site.)

With respect to the Annex facility, it was decided during the course of its construction that certain improvements should be added to the scope of the project which would facilitate addition of the new facilities at a later date. (The Board of Supervisors will be considering funding for the new homeless facility in June in conjunction with their review of the In-Kind General Assistance program. The Detox facility will be the subject of a separate Agency report.) Improvements added include an expanded laundry area and offices for the General Assistance and Agency staff. Several unexpected code related problems, including the need for skylighting and fire code related modifications also arose during construction. The County has agreed to pay for these additions, however, will not be able to do so until June of this year. We are therefore requesting that \$85,000 be advanced from Agency funds and added to the specific construction budget for this project to be repaid by the County later this spring.

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FINANCIAL DATA

The purchase price and related costs for the property to be acquired should not exceed \$40,000 and the upgraded facility \$85,000. The staff recommends that funds set aside for acquisition/development of the Homeless/Detox facility, approved as part of the Agency's 1990 budget be allocated for this project. As noted above, the \$85,000 construction costs will be reimbursed by the County later this spring. The acquisition expenditure is to become a cost of the Richards Boulevard Project Area upon completion of the establishment of the project area. Therefore this is considered a loan from the 1989 Downtown COP for the Richards Boulevard Project Area.

POLICY

The proposed action is consistent with Authority Resolution No. 89-024 regarding the permanent location of shelter and expansion of facilities and services associated with the homeless program.

ENVIRONMENTAL

CEQA The proposed action to acquire property is exempt from environmental review per Section 15061 (b) (1). The acquisition will not result in a physical change in the environment. The concept of potentially using the site sometime in the future is being reviewed in the Environmental Impact Report for the Richards Boulevard Redevelopment Plan. If that plan is approved (and EIR certified), further site-specific environmental review will be conducted during actual project design.

NEPA Not applicable; no federal funding involved.

MBE/WBE

Actions proposed in this report are in compliance with adopted policies.

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VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of March 19, 1990 the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

RECOMMENDATION

The staff recommends adoption of the attached resolution: 1) authorizing the Executive Director of the Housing Authority of the City of Sacramento to bid on the subject site for the purchase price and related costs not to exceed \$40,000; 2) increasing the Annex construction budget by \$85,000; and 3) authorizing a loan from the 1989 COP to be repaid by the Richards Boulevard Project Area upon establishment of the project area.

Respectfully, submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE, City Manager

Contact Person: Thomas V. Lee, 440-1357

Staff.Rpt\Geiger

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

BUDGET AMENDMENT PURCHASE OF REAL PROPERTY
KNOWN AS ASSESSOR PARCEL NO. 02-041-55

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT
AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The 1990 Sacramento Housing and
Redevelopment Agency Budget is hereby amended to reflect the use
of \$40,000 in 1989 Certificate of Participation funds for the
purchase by the Housing Authority of the City of Sacramento of
the real property known as Assessor Parcel No. 002-0041-055 and
\$85,000 in additional funds for renovations to the facility known
as the Salvation Army Annex located at 1224 North "B" Street.

CHAIR

ATTEST:

SECRETARY

1100WPP2(615)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

(5)

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____

BUDGET AMENDMENT; PURCHASE OF REAL PROPERTY
KNOWN AS ASSESSOR PARCEL NO. 02-041-55

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY
OF THE CITY OF SACRAMENTO:

Section 1: The 1990 Sacramento Housing and
Redevelopment Agency Budget is hereby amended to reflect the use
of \$40,000 in the 1989 Certificate of Participation funds for the
purchase by the Housing Authority of the City of Sacramento of
the real property known as Assessor Parcel No. 002-0041-055 and
\$85,000 for renovations to the facility known as the Salvation
Army Annex located at 1224 North "B" Street.

Section 2: The Executive Director is authorized to bid
for the purchase of said real property and to execute all
documents necessary to consummate the purchase for a purchase
price not to exceed \$40,000.00 and to amend the construction
budget and contract for the 'Salvation Army Annex' by \$85,000.

CHAIR

ATTEST:

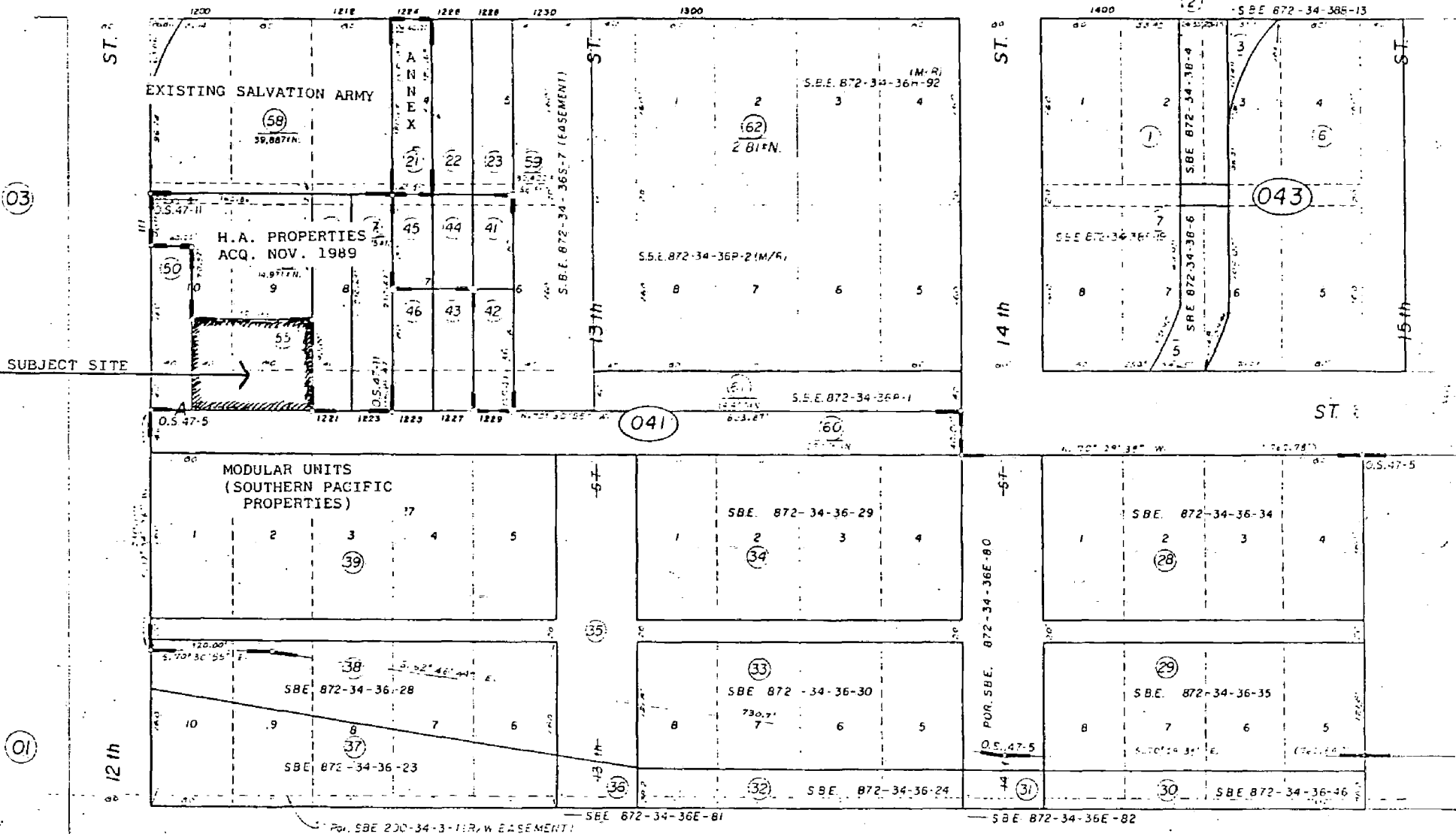
SECRETARY

LOCATION MAP

02

NORTH B

ST. E



03

01

041

043

060

035

031

032

08

Record of Survey, O.S. Bk. 47, Pgs. 11 & 12 (12-12-89)
 Record of Survey, O.S. Bk. 47, Pg. 5 (Por) (11-7-89)
 Record of Survey, O.S. Bk. 41, Pg. 36 (1-6-87)

NOTE—Assessor's Block Numbers Shown in Ellipses.
 Assessor's Parcel Numbers Shown in Circles.

ST. E CITY OF SACRAMENTO
 Assessor's Map Bk. 2 -1
 County of Sacramento,

(L)

