

RESOLUTION NO. 2010-006

Adopted by the Housing Authority
of the City of Sacramento

August 10, 2010

SUBMISSION OF AN APPLICATION FOR DISPOSITION OF THREE PUBLIC HOUSING RESIDENTIAL DEVELOPMENTS, COMSTOCK, CAPITOL TERRACE AND SIERRA VISTA AND RELATED MATTERS

BACKGROUND

- A. The Housing Authority of the City of Sacramento (Housing Authority) has elected a proactive strategy to align the Sacramento Housing and Redevelopment Agency's (SHRA) operations to the realities of the United States Department of Housing and Urban Development (HUD) funding environment while adhering to the SHRA's "guiding principles" and continuing to meet the needs of SHRA's traditional constituents.
- B. Under the current HUD public housing funding environment, Comstock located at 1725 K Street, Capitol Terrace located at 1820 Capitol Avenue and Sierra Vista located at 1107 23rd Street, together are running a substantial operating deficit and have immediate repair and replacement needs of approximately \$8.5 million in hard construction repair and replacement costs that will not be able to be addressed in a timely fashion with public housing funds.
- C. The Housing Authority projects that it can stabilize the operations of the three developments, address the immediate capital needs and place the developments on a sound long-term basis by utilizing project-based vouchers and low-income housing tax credits, subject to compliance with program requirements and based on reasonable market assumptions.
- D. The Housing Authority has determined that prompt disposition of the three developments to Sacramento Housing Authority Repositioning Program, Inc. (SHARP), a housing authority affiliated nonprofit corporation, would contribute to the stabilization of operations at the developments and put the developments in a more favorable position to be redeveloped using project-based vouchers and tax credits, after further conveyance to an entity that can take advantage of the tax credits.
- E. The Housing Authority can begin to take these steps and seek to obtain the necessary resources to commit project-based vouchers to the developments by submitting an application to the HUD for the disposition of the Comstock, Capitol

Terrace and Sierra Vista public housing developments, approval of which would entitle the Housing Authority to apply for replacement vouchers.

- F. The proposed action is categorically excluded under the National Environmental Policy Act (NEPA) per 24 CFR Part 58.35 (a) (5), which covers dispositions where the structure and land will be retained for the same use. The California Environmental Quality Act (CEQA) does not apply to the proposed policy pursuant to CEQA Guidelines section 15378(b) (5), which excludes administrative activities of governments that will not result in direct or indirect changes in the environment.
- G. Based on these facts, the Housing Authority has concluded that disposition of Comstock, Capitol Terrace and Sierra Vista is appropriate for reasons that are consistent with the goals of the Housing Authority and its Public Housing Agency Plan and are otherwise consistent with the United States Housing Act of 1937.

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

- Section 1. The Executive Director, or her designee, is authorized to submit an application to the U.S. Department of Housing and Urban Development (HUD) for the disposition of the Housing Authority of the City of Sacramento's Comstock located at 1725 K Street, Capitol Terrace located at 1820 Capitol Avenue and Sierra Vista located at 1107 23rd Street, (CA00-5000-103), in Sacramento, CA, which may commit the Housing Authority to the actions authorized by this resolution.
- Section 2. The Executive Director, or her designee, is authorized to transfer ownership of the Comstock, Capitol Terrace and Sierra Vista developments to SHARP, an instrumentality of the housing authority, for the ultimate further transfer to an entity that can benefit from use of low-income housing tax credits to accomplish the necessary renovations to these properties.
- Section 3. The Executive Director, or her designee, is authorized to submit, upon HUD approval of the disposition application, an application to HUD for as many replacement vouchers as may be available.
- Section 4. The Executive Director, or her designee, is authorized to execute all necessary documents and to take all other necessary steps to provide for the submission and approval by HUD of the disposition application, application for replacement vouchers; the transfer of Comstock, Capitol Terrace and Sierra Vista to SHARP after adequate replacement vouchers have been obtained and other necessary preparatory steps have been taken, and to ensure the continued protection of current tenants.

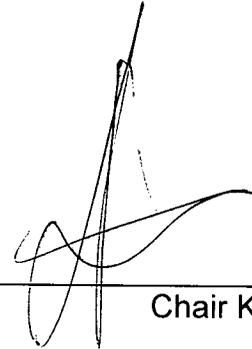
Adopted by the Housing Authority of the City of Sacramento on August 10, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: Councilmember McCarty.



Chair Kevin Johnson

Attest:


Shirley Concolino, Secretary