



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



May 13, 1987

Budget & Finance Committee of
the City Council
Sacramento, CA

CITY MANAGER'S OFFICE
RECEIVED
MAY 13 1987

Honorable Members in Session:

SUBJECT: Amendments to the City of Sacramento Community
Development Block Grant Program

SUMMARY

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

RECOMMENDATION

The staff recommends approval of the attached resolutions approving the budget transfers and funding allocations.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COMMITTEE:

Jack R. Crist

JACK R. CRIST
Deputy City Manager

Attachment



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



May 18, 1987

City Council and
Redevelopment Agency of the
City of Sacramento
Sacramento, California

Sacramento, California

Honorable Members in Session:

SUBJECT: Amendments to the City of Sacramento Community
Development Block Grant (CDBG) Program - Public Hearing

SUMMARY

The attached resolutions (1) reallocate surplus funds from completed projects to 1987 contingency; (2) allocate to 1987 contingency an additional amount for funds restored to the City because Congress did not adopt the proposed rescission of 1987 CDBG funds; (3) transfer funds from 1987 contingency to current projects as additional financing; and (4) transfer funds from 1987 contingency to a new project, East Del Paso Heights Street Improvements 5B.

(Federal regulations require a public hearing for consideration of the new project.)

BACKGROUND

Periodically, the CDBG budget is amended to move surplus funds from completed projects to active ones to ensure that active projects are fully funded to their completion and to new projects which fill a locally identified need. Also, additional monies have now become available because Congress did not approve the

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and
Redevelopment Agency of the
City of Sacramento
May 18, 1987
Page 2

Administration's 16 percent rescission of 1987 CDBG funds. This results in an additional \$455,000 for the 1987 CDBG program. Another \$1,000 has been added from reallocation of a national pool of FY 1985 CDBG funds. This increase permits the program to fund construction of East Del Paso Heights Street Improvements Phase 5B, to finance projects needing additional funds, and to maintain a minimum contingency budget.

Chart A, attached, shows the reprogramming actions proposed by this report. Highlights of significant changes are discussed briefly below:

A. Project Requiring Additional Funds

1. McClellan School Tot Lot, Phase II - \$11,619.33 surplus from Phase I of the Tot Lot will be moved forward to Phase II. These funds will cover the cost of adding lights to the playground areas improved under both Phase I and Phase II. The lighting is needed for safety and security reasons.
2. Rehab Loans and Grants - An additional \$168,000 is needed to fund anticipated loan and retrofit grant applications. As you recall, the current rehabilitation loan fund is almost entirely committed to active and pending cases.

B. New Programs

East Del Paso Heights 5B - \$522,000 is needed for this project. This project was listed in the 1987 Application for highest priority if additional funds became available. This is a full street improvement project in the area shown on Exhibit A which includes curbs, gutters, sidewalks, and street lights; it was fully designed with 1985 funds and has received environmental review.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and
Redevelopment Agency of the
City of Sacramento
May 18, 1987
Page 3

C. Potential New Project

Another potential new project is being developed by staff which would assist in the construction of an 80-unit apartment complex to house low-income tenants through the CHFA Minority Developer Program. Should this project materialize, it is essential that adequate contingency be available to fund this project at approximately \$100,000. If and when plans for this project are finalized, staff will schedule a public hearing for City Council consideration of project funding.

FINANCIAL DATA

These proposed reprogrammings are necessary to keep existing projects adequately financed and to transfer surplus funds from completed projects to cover future contingencies and additional projects which need to be funded.

After approval of this report, the 1987 CDBG contingency balance will be increased from \$149,298.14 to \$184,483.88.

ENVIRONMENTAL REVIEW

All of the projects listed in attached Chart A have previously received environmental review under both the California Environmental Quality Act and the National Environmental Protection Act.

POLICY IMPLICATIONS

The actions proposed in this staff report are consistent with previously approved policy. These proposed reprogrammings ensure appropriate budgets for activities previously approved by the Council.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and
Redevelopment Agency of the
City of Sacramento
May 18, 1987
Page 4

VOTES AND RECOMMENDATION OF COMMISSION

At its regular meeting of May 18, 1987, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follow:

AYES:

NOES:

ABSENT:

RECOMMENDATION

The staff recommends adoption of the attached resolution which reprograms funds in accordance with Chart A.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL

WALTER J. SLIPE
City Manager

Contact Person: Trish Davey or Maxine Cornwell (440-1322)

0110k

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AMENDING THE 1981, 1982, 1983, 1984, 1986, and 1987
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
AND THE CITY'S CAPITAL IMPROVEMENT PLAN

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. The City Council hereby approves amendments to the Community Development Block Grant program appropriations in the manner and amount specified in Chart A attached hereto and adopts the amended 1987 Projected Use of Funds which reflects said amendments for submission to the Department of Housing and Urban Development.

Section 2. The City Council hereby approves an amendment to the City's Capital Improvement Plan and Budget reflecting addition of East Del Paso Heights Street Improvements Project 5B, as specified in Chart A.

MAYOR

ATTEST:

CITY CLERK

WPP57(L)

(5)

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

AMENDMENTS TO THE 1987
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
AND THE 1987 AGENCY BUDGET

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO

Section 1. The 1987 Agency Budget is amended to reflect the CDBG budget amendments for specific projects as shown on Chart A attached hereto.

Section 2. The Executive Director is hereby authorized to make the above appropriation changes and to transmit the amendments and any required documentation regarding the amendments to the United States Department of Housing and Urban Development.

CHAIR

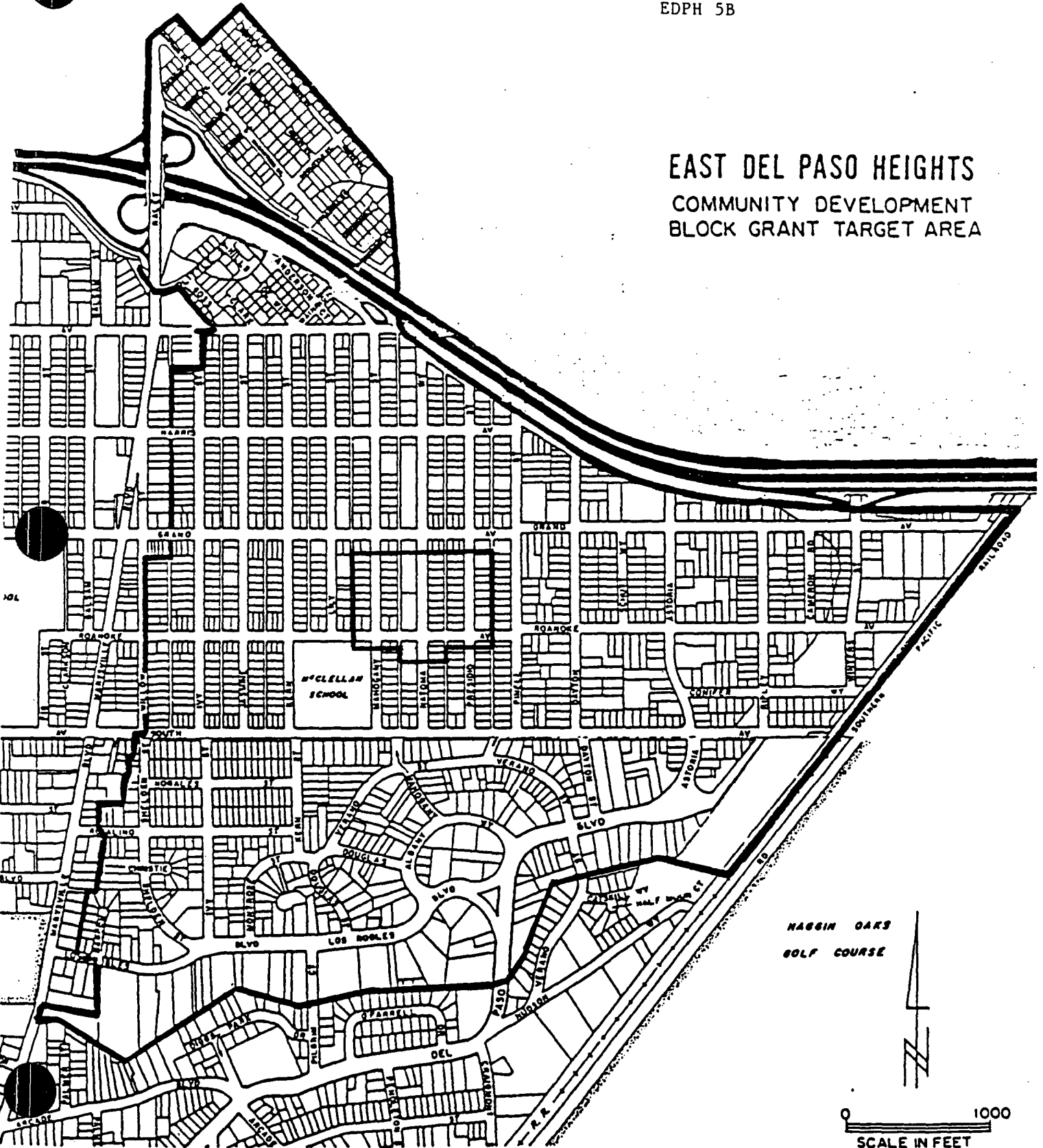
ATTEST:

SECRETARY

WPP57(L)

EDPH 5B

EAST DEL PASO HEIGHTS
COMMUNITY DEVELOPMENT
BLOCK GRANT TARGET AREA



HAGGIN OAKS
GOLF COURSE

0 1000
SCALE IN FEET

CHART A: RECOMMENDED REPROGRAMMING ACTIONS

YEAR COST CENTER	PROJECT	CURRENT ALLOCATION	RECOMMENDED ALLOCATION	NET CHANGE TO CONTINGENCY	COMMENTS
			<u>Beginning 1987 Contingency Balance: \$149,298.14</u>		
			<u>Addition to Letter of Credit: \$456,000.00</u>		
1981/82-A04243	Camellia School Park	\$170,000.00	\$139,310.75	\$+ 30,689.25	Surplus funds.
1983/A04269	Del Paso Heights A/D 7	500,000.00	481,336.23	+ 18,663.77	Surplus funds.
1983/A04288	Hagginwood Community Center Improvements	87,000.00	85,400.85	+ 1,599.15	Surplus funds.
1983/A04279	Gardenland Park Improvements	25,000.00	16,733.96	+ 8,266.04	Surplus funds.
1983/A04421	McClellan Tot Lot Phase I	25,000.00	13,380.67	+ 11,619.33	Surplus funds; reprogram to Phase II (1987).
1984/A04303	Gardenland Park Improvements	6,000	2,163.86	+ 3,836.14	Surplus funds.
1984/A04306	Tot Lot Improvements/ Irrigation (Woodbine)	75,000	67,826.88	+ 7,173.12	Surplus funds.
1985/A04261	Workreation	139,000.00	135,749.14	+ 3,250.86	Surplus funds.

CHART A: RECOMMENDED REPROGRAMMING ACTIONS

YEAR COST CENTER	PROJECT	CURRENT ALLOCATION	RECOMMENDED ALLOCATION	NET CHANGE TO CONTINGENCY	COMMENTS
1985/A04317	Relocation Loans	30,000.00	3,273.50	+ 26,726.50	Surplus funds.
1985/A04425	Washington Neighborhood Center	5,550.00	5,243.50	+ 306.50	Surplus funds.
1985/A04406	Woodbine Park Improvements	9,000.00	1,971.87	+ 7,028.13	Surplus funds.
1985/A04418	35th Ave. Fence Project	25,000.00	15,901.20	+ 9,098.80	Surplus funds.
1986/A04200	CDBG Administration	300,000.00	280,672.03	+ 19,327.97	Surplus funds.
1986/A04201	MBE/WBE Coordinator	20,000.00	19,012.82	+ 987.18	Surplus funds.
1986/A04209	Relocation Assistance	34,899.20	23,294.74	+ 11,604.46	Surplus funds.
1986/B04259	Human Rights/Fair Housing	120,000.00	119,334.16	+ 665.84	Surplus funds.
1986/B04286	Contingencies	131,301.28	0	+131,301.28	Surplus funds.
1986/A04602	Community Information Center	5,000.00	4,339.25	+ 660.75	Surplus funds.

CHART A: RECOMMENDED REPROGRAMMING ACTIONS

YEAR COST CENTER	PROJECT	CURRENT ALLOCATION	RECOMMENDED ALLOCATION	NET CHANGE TO CONTINGENCY	COMMENTS
1987/J04421	McClellan Tot Lot Phase II	70,000.00	81,619.33	- 11,619.33	Extra funds needed to cover park lighting for Phase I and II of the Tot Lot.
1987/J04251	Rehab Loans and Grants	535,600.00	715,600.00	-180,000.00	Funds needed to cover the anticipated overrun on this project.
1987/New	EDPH 5B	0	522,000.00	-522,000.00	Funds needed to proceed with the construction of this project in 1987.

ENDING CONTINGENCY: 184,483.88

0112k
5/18/87