



29

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

February 19, 1981 CITY MANAGER'S OFFICE

Housing Authority of the  
City of Sacramento  
Sacramento, California

**RECEIVED**  
FEB 25 1981

Honorable Members in Session:

**SUBJECT:** Establishment of Policy and Procedures Regarding  
Major Settlements under the Section 23 Leasing Program

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY

### SUMMARY

Date 3/3/81

The attached resolution establishes the following policy with respect to final approval of settlement amounts under Section 23 Leasing Program:

- a) Total settlements for \$5,000, and under, will be approved by the Executive Director.
- b) Total settlements from \$5,000 to \$10,000 will be approved by the Chairman of the Sacramento Housing and Redevelopment Commission with review by an ad hoc Commission sub-committee.
- c) Total settlements over \$10,000 must be approved by the Housing Authority after review of the Sacramento Housing and Redevelopment Commission.
- d) Appoint an ad hoc three-member committee which shall serve until the conversions are completed.

### BACKGROUND

The Agency is in the process of terminating the Section 23 Leasing Program and converting to the Section 8 Housing Assistance Payments Program (HAPP). Since the conversion process began last summer, the Agency has been operating under informal policy guidance with respect to settlements paid to owners when the Section 23 Leasing Program agreements are terminated. This informal policy has included the approval of projects by the Chairman of the Commission of up to \$5,000.

Three major settlements have been made prior to the appointment of the Interim Executive Director in early October 1980. These previous settlements ranged from \$40,000 on May 20, 1980 to \$6,500 on September 12, 1980. The average settlement was \$16,633. With the Agency being involved in a reorganization and the emergence of a

3-3-81

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of the  
City of Sacramento  
February 19, 1981  
Page Two

number of major settlements above \$10,000, it is important to formalize the procedure and policy under which these settlements are to be made and, in the public interest, to provide opportunity for full public disclosure.

## FINANCIAL IMPACT

There is no additional financial impact as a result of the proposed policy.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of February 19, 1981 the Sacramento Housing and Redevelopment Commission adopted a motion recommending the establishment of policy and procedure regarding major settlements under the Section 23 Leasing Program. The votes were recorded as follows:

AYES: Fisher, Knepprath, Luevano, A. Miller, Serna,  
Teramoto, Walton, B. Miller

NOES: None

ABSENT: Coleman

## RECOMMENDATION

The staff recommends adoption of the attached resolution approving a policy for settlement amounts under the Section 23 Leasing Program.

Respectfully submitted,

*William H. Edgar*

WILLIAM H. EDGAR  
Interim Executive Director

TRANSMITTAL TO COUNCIL:

*Walter J. Slipe*

WALTER J. SLIPE  
City Manager

Contact Person: Leo T. Goto

RESOLUTION NO. 81-019

Adopted by the Housing Authority of the City of Sacramento

March 3, 1981

ESTABLISHMENT OF POLICY AND PROCEDURES  
REGARDING MAJOR SETTLEMENTS UNDER  
THE SECTION 23 LEASING PROGRAM

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY  
OF SACRAMENTO:

Section 1. The Chairman of the Sacramento Housing and  
Redevelopment Commission shall appoint an ad hoc committee of  
three members to serve as a review body for Section 23 conver-  
sions.

Section 2. The Executive Director shall have the  
authority to approve settlements up to \$5,000.

Section 3. The Chairman of the Sacramento Housing and  
Redevelopment Commission, with review by an ad hoc committee,  
shall have the authority to approve settlements from \$5,000 to  
\$10,000.

Section 4. The Housing Authority of the City of Sacra-  
mento shall approve all settlements over \$10,000, with review and  
recommendation by the Sacramento Housing and Redevelopment  
Commission.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
SECRETARY

APPROVED  
SACRAMENTO HOUSING AUTHORITY  
Date 3/3/81