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# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

June 15, 1981

CITY MANAGER'S OFFICE  
**RECEIVED**  
JUN 17 1981

Housing Authority of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session

SUBJECT: Amendment No. 3, Section 8 After-Care Units SB-49

### SUMMARY

Attached is a resolution by which the Executive Director is authorized to:

- (1) Accept seventeen (17) additional after-care housing units through the Agency's Section 8 program of which 9 are City units,
- (2) Change in designated amount of annual payments,
- (3) Administrative fee split,
- (4) Accept revised language dealing with overpayments,
- (5) Establish ACC reserve account.

### BACKGROUND

In August, 1977, the Agency entered into a contractual agreement with the State of California, Department of Housing and Community Development (HCD) for the purpose of providing housing assistance payments through the Section 8 program to persons who are mentally, developmentally or physically disabled. The original contract amount was \$133,512.00. These monies would be used for subsidy payments for housing units selected by qualified applicants and accepted by the Agency in accordance with Federal and State regulations.

The maximum amount of the new contract is \$183,192 to finance the acceptance of 17 units which increases the total number of units from 75 to 92. Nine of the additional 17 units are in the County.

**FILED**  
SACRAMENTO HOUSING AUTHORITY

Date 6/23/81 Cont to 6-30-81

6-23-81  
All Districts

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In addition to the unit increase, the contract will:

1. Action: Change in designated amount of Annual Payments  
Reason: Formerly, HCD estimated the amount of administrative fees and preliminary expenses that HCD would earn and reduced the ACC amount by this estimate. The amendment would use the ACC amount determined by HUD and another amendment (No. 3) would specify the formula for determining HCD's and the LHA's shares, based upon actual numbers of units.
2. Action: Specify the split of the administrative fees (7%/1½%) and the preliminary allowances (\$200/\$75).  
Reason: Correction of an inaccuracy in the original contract.
3. Action: Establishes an ACC Reserve Account  
Reason: The original contract did not allow use by the PHA of the ACC Reserve Account (omitted). When FMR's increased and caused the annual expenditures to exceed the Annual Payments. The amendment would establish the reserve account, retroactive to the effective date of the contract.

## FINANCIAL DATA

The increase of funds will meet the subsidy and administrative costs of the unit increase. The difference in funds between the original contract and the current contract is a \$42,141 increase.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of June 15, 1981, the Sacramento Housing and Redevelopment Commission recommended adoption of the attached resolution. The vote was recorded as follows:

AYES: Coleman, Fisher, Knepprath, Luevano, A. Miller,  
Serna, Teramoto, Walton, B. Miller  
NOES: None  
ABSENT: None

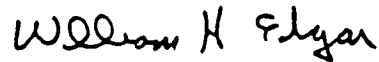
# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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## RECOMMENDATION

The staff recommends adoption of the attached resolution authorizing the Interim Executive Director to enter into a contract with HCD to accept additional funds and units under the Section 8 Aftercare Program.

Respectfully submitted,



WILLIAM H. EDGAR  
Interim Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLIPE, City Manager

RESOLUTION NO. \_\_\_\_\_

Adopted by the Housing Authority of the City of Sacramento

June 23, 1981

AUTHORIZING EXECUTION OF AMENDMENT NO. 3  
FOR CONTRACT NO. HAP623A1-1 FOR HOUSING ASSISTANCE  
FOR THE DISABLED UNDER STATE OF  
CALIFORNIA SECTION 8 PROGRAM

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

Section 1. The Interim Executive Director is hereby  
authorized to execute Amendment No. 3 to Contract No. HAP623A1-1  
for a housing assistance project for the disabled under the  
State of California Section 8 Program.

ATTEST:

\_\_\_\_\_  
CHAIRMAN

\_\_\_\_\_  
SECRETARY

**STANDARD AGREEMENT** —

APPROVED BY THE  
ATTORNEY GENERAL

STATE OF CALIFORNIA  
STO. 2 (REV. 11/75)

- CONTRACTOR
- STATE AGENCY
- DEPT. OF GEN. SER.
- CONTROLLER
- 
- 
- 

THIS AGREEMENT, made and entered into this 28th day of September, 19 79,  
in the State of California, by and between State of California, through its duly elected or appointed,  
qualified and acting

|                                                                                                  |                                                                    |                               |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------|
| TITLE OF OFFICER ACTING FOR STATE<br><b>DIRECTOR</b>                                             | AGENCY<br><b>DEPARTMENT OF HOUSING &amp; COMMUNITY DEVELOPMENT</b> | NUMBER<br><b>HAP 623-A1-1</b> |
| hereafter called the State, and<br><b>HOUSING AUTHORITY OF THE CITY AND COUNTY OF SACRAMENTO</b> |                                                                    | Amend. #3                     |
| hereafter called the Contractor.                                                                 |                                                                    |                               |

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State hereinafter expressed, does hereby agree to furnish to the State services and materials, as follows:

(Set forth service to be rendered by Contractor, amount to be paid Contractor, time for performance or completion, and attach plans and specifications, if any.)

This Agreement is Amendment Number 3 to Housing Assistance Payments Program Contract Number HAP 623-A1-1, dated August 3, 1977 as follows:

**B. The Program**

The housing assistance program set out in this contract includes the following units:

| <u>Size of Units</u> | <u>Number of Units</u> |                |
|----------------------|------------------------|----------------|
|                      | <u>SF 623</u>          | <u>SF 1498</u> |
| 0 Bedroom            | 1                      | 0              |
| 1 Bedroom            | 65                     | 17             |
| 2 Bedroom            | 9                      | 0              |
|                      | 75                     | 17             |

The provisions on the reverse side hereof constitute a part of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

|                                                                                                                                                                                                        |                                                                                                                                            |                     |            |             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------|-------------|
| <b>STATE OF CALIFORNIA</b>                                                                                                                                                                             | <b>CONTRACTOR</b>                                                                                                                          |                     |            |             |
| AGENCY<br><b>DEPARTMENT OF HOUSING &amp; COMMUNITY DEVELOPMENT</b>                                                                                                                                     | CONTRACTOR (IF OTHER THAN AN INDIVIDUAL, STATE WHETHER A CORPORATION PARTNERSHIP, ETC.)<br><b>HOUSING AUTHORITY - COUNTY OF SACRAMENTO</b> |                     |            |             |
| BY (AUTHORIZED SIGNATURE)<br>▶                                                                                                                                                                         | BY (AUTHORIZED SIGNATURE)<br>▶                                                                                                             |                     |            |             |
| TITLE<br><b>Chief Administrative Services</b>                                                                                                                                                          | TITLE                                                                                                                                      |                     |            |             |
| (CONTINUED ON <u>2</u> SHEETS, EACH BEARING NAME OF CONTRACTOR)                                                                                                                                        | ADDRESS<br><b>P.O. Box 1834, Sacramento, CA 95809</b>                                                                                      |                     |            |             |
| <i>Department of General Services<br/>Use ONLY</i>                                                                                                                                                     | AMOUNT ENCUMBERED                                                                                                                          | APPROPRIATION       |            | FUND        |
|                                                                                                                                                                                                        | \$                                                                                                                                         | ITEM                | CHAPTER    | STATUTES    |
|                                                                                                                                                                                                        | UNENCUMBERED BALANCE                                                                                                                       | FUNCTION            |            | FISCAL YEAR |
|                                                                                                                                                                                                        | \$                                                                                                                                         | LINE ITEM ALLOTMENT |            |             |
|                                                                                                                                                                                                        | ADJ. INCREASING ENCUMBRANCE                                                                                                                |                     |            |             |
| \$                                                                                                                                                                                                     |                                                                                                                                            |                     |            |             |
| ADJ. DECREASING ENCUMBRANCE                                                                                                                                                                            |                                                                                                                                            |                     |            |             |
| \$                                                                                                                                                                                                     |                                                                                                                                            |                     |            |             |
| I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.                                                          |                                                                                                                                            |                     | T.B.A. NO. | B.R. NO.    |
| SIGNATURE OF ACCOUNTING OFFICER<br>▶                                                                                                                                                                   |                                                                                                                                            |                     | DATE       |             |
| I hereby certify that all conditions for exemption set forth in State Administrative Manual Section 1209 have been complied with and this document is exempt from review by the Department of Finance. |                                                                                                                                            |                     |            |             |
| SIGNATURE OF OFFICER SIGNING ON BEHALF OF THE AGENCY<br>▶                                                                                                                                              |                                                                                                                                            |                     | DATE       |             |

C. Payment

3.1 Contract Amount

The maximum amount of this contract for all expenditures, including HCD expenses, in respect to the aggregate number of units in this Housing Assistance Program is \$ 183,192 per fiscal year; provided, however, that this amount shall be reduced commensurately with any reduction in the number of units or changes in unit size.

3.2 Annual Payment

- a. Subject to the maximum dollar limitation in Section 3.1, HCD shall pay for each fiscal year an Annual Payment to the LSA in respect to the Housing Assistance Program an amount equal to the sum of the following:
1. The amount of Housing Assistance Payments payable during the fiscal year by the LSA;
  2. An allowance of \$200 per unit for preliminary costs of administration and
  3. An allowance of 7% multiplied by the Fair Market Rent limitation for a two bedroom unit multiplied by the unit months under lease for regular costs of administration.
- b. Out of the maximum dollar limitation in Section 3.1, HCD shall retain for each fiscal year an amount equal to the sum of the following:
1. An allowance of \$75 per unit for preliminary costs of administration and
  2. An allowance of 1½% multiplied by the Fair Market Rent limitation for a two bedroom unit multiplied by the unit months under lease.
- c. Preliminary costs of administration are those costs directly attributable to the initial leasing of units that are incurred after the effective date of the contract or any amendments to the contract that increase the number of units under the contract through the end of the 12-month leasing schedule or until the approved number of Housing Assistance Payments (HAP) contracts have been executed, whichever occurs first. Regular costs of administration are all costs after an initial HAP contract is executed.
- d. The amount of the allowances provided for in this Section may be changed by amendment of the contract to reflect increases in actual administrative costs to the LSA.

3.6 Overpayment

Following the end of each fiscal year, the LSA shall promptly pay to HCD, unless HCD approves other disposition, the amount, if any, by which the total amount of the periodic payments during the fiscal year exceeds the total amount of the Annual Payment payable for such fiscal year in accordance with this contract.

## HOUSING AUTHORITY OF CITY &amp; COUNTY OF SACRAMENTO

## 3.7 Reserve Account

To the extent that funds are available in the ACC Reserve Account established and maintained by HUD in accordance with Section 8(c)(6) of the Housing and Community Development Act of 1974, the Annual Payment of any fiscal year may exceed the Contract Amount provided in Section 3.1 of this part by such amount, if any, as may be required for increases in Housing Assistance Payments reflected in the estimate of required Annual Payments applicable for such fiscal year as approved by HCD in accordance with Section 3.3 of this part.