



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



9

August 15, 1989

Budget and Finance Committee
of the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: Housing Strategy and Action Plan - City of Sacramento

SUMMARY

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

RECOMMENDATION

The staff recommends approval of the plan, budget amendment and staff positions.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



DATE: August 7, 1989

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

Honorable Members in Session:

SUBJECT: Housing Strategy and Action Plan

SUMMARY

The attached resolution recommends: 1) endorsement of the Housing Strategy and Action Plan described in the attached Report, and 2) amendment of the Agency budget to increase the Housing Development Division budget for 1989 to allow for expenditure of funds on contract/temporary services; and to add two new limited term positions in the Housing Rehabilitation Division.

BACKGROUND

The enclosed Report is intended to summarize current and proposed housing activities of Sacramento Housing and Redevelopment Agency and describe major policy and program initiatives which staff proposes be pursued by the Agency over the next three years. The purpose of this Report is to establish an aggressive action program and agenda for the City in the housing arena which will make a meaningful contribution toward meeting the housing needs of low income Sacramentans through the 1990's.

Development of a sufficiently funded locally derived source of funds for housing is a crucial program objective, if the City hopes to establish its own housing agenda and be able to affirmatively implement that agenda. Enactment of the Trust Fund was a major step in this direction. In addition, many other types of activities are required to implement the comprehensive housing program proposed in the attached Report.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council/Redevelopment Agency/
Housing Authority of the
City of Sacramento
Page 2

Major policy and program concerns to be pursued by staff, which are described more fully in the attached Report, are highlighted below:

- o Development of local funding sources for housing which include a developer fee and alternative revenue sources
- o Creation of a Housing Partnership to coordinate the gap, debt and equity sources for low-income housing
- o Development of a Downtown Housing Preservation/Development Strategy
- o SRO Preservation and Development
- o Programs to promote neighborhood preservation including:
 - creation of a Home Loan Counseling Center
 - self-help housing
 - a local homesteading program to place boarded and vacant structures back into the housing stock and encourage homeownership
 - Southside and Meadowview area neighborhood housing strategies
 - improved preventative code enforcement practices
 - targeted rehabilitation efforts
- o Development of a detoxification facility for public inebriates
- o Creation of a Community-wide Non-profit Association for housing development
- o Drug free public housing
- o Developer Assistance Program

Implementation of this aggressive housing program has staffing implications for the Housing Development and Housing Rehabilitation Divisions. A more complete discussion of the staffing requirement can be found in Section V of the enclosed Housing Strategy and Action Plan. This staff report addresses the specific staffing changes requested at this time. Less staff are proposed for funding than are requested in the Housing Report due to budget constraints.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council/Redevelopment Agency/
Housing Authority of the
City of Sacramento
Page 3

ENVIRONMENTAL REVIEW

Adoption of the Housing Strategy and Action Plan is an action exempt from environmental review per CEQA Section 15262. The Plan only identifies feasible implementation strategies for possible future actions which the Redevelopment Agency and Housing Authority have not approved, adopted or funded, or had previously approved under prior environmental documentation. Specific projects will be subject to environmental review as they are identified and proposed for approval.

POLICY IMPLICATIONS

These policies are consistent with previous Governing Board actions to promote and preserve affordable housing.

FINANCIAL

To accomplish this rather aggressive housing program, the Housing Development Division budget is requested to be augmented by \$26,100, to enable the expenditure of funds for temporary or contractual services. The person providing the service will work primarily on Southside Park and obtaining proposition 77 and 84 funds, as well as on certain of the new policy and program initiatives outlined in the Housing Report. Such amount shall be taken from MRB Fund Balance.

The Housing Rehabilitation budget is requested to be augmented by \$24,387 to enable the hiring of two (2) additional limited term positions to implement the public housing acquisition and rehabilitation program. Such amount shall come from federal public housing acquisition and rehabilitation funds. The positions shall not be filled until the HUD Annual Contributions Contract (ACC) is executed and federal funding available.

The following outlines the budget impact of these proposed budget change requests on the Housing Development and Rehabilitation Divisions, and provides a general outline of where the funds for these expenditures might come from. Staffing changes proposed for 1990 and 1991 will be requested and considered separately in the Agency 1990-1991 budget requests.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council/Redevelopment Agency/
 Housing Authority of the
 City of Sacramento
 Page 4

PROPOSED BUDGETS 1989 - 1991

HOUSING DEVELOPMENT

	1989 Current Budget	1989 Proposed Amended	1990	1991
Employee Services	\$324,180	\$324,180	\$ 532,701	\$ 564,453
Supplies	131,000	157,100	160,000	170,000
Overhead	429,000	429,000	460,000	500,000
Total Expenditures:	<u>\$884,180</u>	<u>\$910,280</u>	<u>\$1,152,701</u>	<u>\$1,234,453</u>
 Sources of Revenue:				
MRB	\$589,993	\$616,093 ⁽¹⁾	\$ 650,000	\$ 675,000
T.I.	294,187	294,187	300,701	300,000
Trust Fund	-0-	-0-	200,000	259,453
	<u>\$884,180</u>	<u>\$910,280</u>	<u>\$1,152,701</u>	<u>\$1,234,453</u>

(1) Increase to be taken from 1989 Fund Balance.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council/Redevelopment Agency/
 Housing Authority of the
 City of Sacramento
 Page 5

HOUSING REHABILITATION

	<u>1989 Current Budget</u>	<u>1989 Proposed Amended</u>	<u>1990</u>	<u>1991</u>
Employee Services	\$ 636,618	\$ 661,005	\$ 901,001	\$ 956,550
Supplies	96,662	96,662	132,910	138,600
Equipment	2,600	2,600	8,500	8,500
Overhead	500,938	500,938	600,000	640,000
Total Expenditures:	<u>\$1,236,818</u>	<u>\$1,261,205</u>	<u>\$1,642,411</u>	<u>\$1,743,650</u>
Sources of Revenue:				
Tax Increments, All Project Areas	437,371	437,371	437,371	437,371
CDBG - City	284,794	284,794	324,768	324,768
CDBG - County	434,705	434,705	474,679	474,679
Rental Rehab, City	39,974	39,974	45,322	30,000
Rental Rehab, County	39,974	39,974	46,121	30,000
ACQ/Rehab, City	0	12,194	86,529	90,098
ACQ/Rehab, County	0	12,194	88,594	92,162
CDBG Revolving Loan Funds	<u>0</u>	<u>0</u>	<u>139,027</u>	<u>264,572</u>
TOTAL REVENUE	<u>\$1,236,818</u>	<u>\$1,261,205</u>	<u>\$1,642,411</u>	<u>\$1,743,650</u>

VOTE OF SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

At its regular meeting of August 7, 1989 the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Amundson, Moose, Sheldon, Simon, Strong, Wiggins,
 Wooley, Yew
 NOES: None
 ABSENT: Pernell, Simpson

Section 5: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(411)

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____

AUTHORIZING CONTRACT, TEMPORARY OR LIMITED TERM EMPLOYEE SERVICES AND AMENDING THE AGENCY BUDGET

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

Section 1: The Sacramento Housing and Redevelopment Agency Budget shall be amended to allocate the following contractual, temporary or limited term employee positions:

- (a) Housing Development Division- one temporary services or contractual services employee (Associate Planner level)
- (b) Housing Rehabilitation Division- one limited term Typist Clerk III.
one limited term Technical Specialist II.

Section 2 The Agency Budget shall be amended to transfer \$26,100 from the Mortgage Revenue Bond Fund balance to pay for the contractual or temporary services employee in the Housing Development Division.

Section 3: The Agency Budget shall be amended to increase expenditures of the Housing Rehabilitation Division by \$24,387 to pay for two limited term positions. Such expenditures shall come from acquisition and rehabilitation administrative fees.

Section 4: After the appropriate HUD Annual Contributions Contract (ACC) has been executed and the funding from it is available, the Executive Director is authorized to hire the limited term staff as authorized by Section 1(b) of this resolution.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 5: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(411)

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

HOUSING STRATEGY AND ACTION PLAN 1989-1991

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

Section 1: The Housing Strategy and Action Plan of the Sacramento Housing and Redevelopment Agency for 1989-1991 is hereby approved.

Section 2: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

HOUSING STRATEGY AND ACTION PLAN 1989-1991

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

Section 1: The Housing Strategy and Action Plan of the Sacramento Housing and Redevelopment Agency for 1989-1991 is hereby approved.

Section 2: This Resolution shall be effective upon its adoption.

MAYOR

ATTEST:

CITY CLERK

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____

HOUSING STRATEGY AND ACTION PLAN 1989-1991

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

Section 1: The Housing Strategy and Action Plan of the Sacramento Housing and Redevelopment Agency for 1989-1991 is hereby approved.

Section 2: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____