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April 7, 1999

APPROVED  
BY THE CITY COUNCIL

APR 20 1999

OFFICE OF THE  
CITY CLERK

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** AMENDMENT OF 1999 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOUSING INVESTMENT PARTNERSHIP (HOME), EMERGENCY SHELTER GRANT (ESG), AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS/HIV (HOPWA) APPLICATION

**LOCATION & COUNCIL DISTRICT** City

**RECOMMENDATION**

Staff recommends adoption of the attached resolution which:

- Amends the 1999 and prior years' CDBG, HOME, ESG and HOPWA applications and Agency budgets to reallocate funds;
- Amends the City's 1999 Application and the Agency budget to correct the amount of entitlements programmed;
- Authorizes the Executive Director and the City Manager, or their designees, to execute contracts and Memoranda of Agreement (MOA's) (pursuant to a Master Agreement dated June 13, 1995) on behalf of the Sacramento Housing and Redevelopment Agency to carry out projects;
- Authorizes the City Manager to accept the allocations stated in the Memoranda of Agreement (MOA's) between the City and SHRA, and authorizes establishing appropriations for the projects as detailed in the MOA;
- Authorizes the City of Sacramento to enter into a partnership with the County of Sacramento and SHRA to fund the pilot program known as the Neighborhood Coaching Service.

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## CONTACT PERSONS

John Dangberg, Director, 440-1316  
Vicki Cook, Program manager, 440-1399, ext. 1200

## FOR COUNCIL MEETING OF April 20, 1999

### SUMMARY

The actions in the report will: 1) adjust budgeted funding level to reflect the actual entitlement amounts; 2) defund certain existing projects; and 3) create and fund new projects.

This report will be presented at a Public Hearing as required by the regulations for Community Development Block Grant funds (24 CFR 570.000 et seq). The notice of the recommendations has been published. All citizen comments will be summarized and submitted to the U. S. Department of Housing and Urban Development.

### PAC ACTION

The recommendation for funding of the Oak Park Community Center rehabilitation will be presented to the Oak Park PAC on April 7, 1999. It is anticipated that the recommendation will be approved. The action taken by the PAC will be reported verbally.

### COMMISSION ACTION

At its April 7, 1999 meeting, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Castello, Cespedes, Dobbins, Harland, Hoag, Holloway,  
Newsome, Rotz, Simon

NOES: None

ABSENT: Amundson

### BACKGROUND

On November 5, 1998 the Council adopted the 1999 CDBG, Home Investment Partnerships (HOME), ESG and HOPWA budgets. Because the Agency does not receive notification of the entitlement amounts until several months after the required date of submission of the application, the amounts budgeted in the application were estimates. The Agency has since that time received notification of the actual entitlement amounts. The variance is summarized below.

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FUND	BUDGETED ENTITLEMENT	ACTUAL ENTITLEMENT	DIFFERENCE
CDBG	\$6,265,000	\$6,497,000	\$ 232,000
HOME	\$2,913,000	\$3,136,000	\$ 223,000
ESG	\$ 255,000	\$ 230,000	\$ <25,000>
HOPWA	\$ 613,000	\$ 656,000	\$ 43,000

This report recommends that the additional amount of CDBG entitlement be added to the City's Reserve for Capital Projects to increase the balance to \$294,105. This fund serves as a contingency account for construction projects currently underway that are less than 50 percent complete. The report also recommends that the increased HOME funding be added to the Multi-family Acquisition and Rehabilitation Loan fund. The level of ESG activity must be reduced to coincide with the actual HUD entitlement amount. The County Department of Human Assistance staff recommend that the increased HOPWA funding be placed in a contingency fund. New HOPWA appropriations, and modifications of existing HOPWA appropriations in excess of 25 percent will be published for public comment and brought forward in a staff report to Council for authorization.

### Uses of Funds

The original application designated all available funds for specific activities with the exception of small set-asides for City Neighborhood Service Areas for projects to be selected at a future date. This report proposes specific activities for some of the funds previously allocated for Neighborhood Service Area 3. It also proposes reprogramming funds from prior years' budgets to new activities. (Additional information on each of these recommended activities is found in Attachment I.)

The recommended new or amended appropriations are for:

- Alignment and completion of street improvements at Butterworth and Cathcart Avenues in Strawberry Manor (\$50,000 CDBG from a cancelled project in Neighborhood Service Area 4);
- Rehabilitation of the Oak Park Community Center (\$50,000 CDBG from funds previously allocated to Neighborhood Service Area 3);
- Sacramento ENRICHES, an existing non-profit organization whose goal is to coordinate and link efforts that promote the health and safety of children and youth throughout Sacramento (\$7,500 City CDBG; a similar allocation is recommended from County CDBG);
- Neighborhood Coaching Service (NCS), a new pilot activity offered by the Sacramento Mediation Center which will provide information, technical assistance, and guidance to support neighborhood groups interested in neighborhood organizing, partnership development, conflict resolution, and team problem-solving related to issues of public

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health and safety (\$15,500 City CDBG for 1999; a similar allocation is recommended from County CDBG);

- Capital Reserve fund (\$241,583 CDBG from additional entitlement and cancelled projects);
- Multifamily acquisition and rehabilitation loan fund (\$223,000 HOME from additional entitlement); and
- HOPWA Contingency (\$43,000 HOPWA).

This report recommends canceling or reducing the projects as summarized below:

- The remainder of the SAFE Streets appropriation in the 1998 budget is being cancelled (\$32,583 CDBG). The organization has disbanded and there will be no further activities;
- Funding for a sign at the Robertson Community Center is cancelled (\$50,000 CDBG). The type of signage desired by the community is not eligible for funding; and
- Reduction in the budgeted amount of Emergency Services Grant (ESG) of \$25,000.

This report further recommends that funding be reprogrammed as described below:

- \$50,000 (CDBG) of funds set aside in the 1999 budget for activities in Neighborhood Services Area 3 is recommended for rehabilitation of the Oak Park Community Center.

## FINANCIAL CONSIDERATIONS

All reprogramming actions are accomplished with funds previously received either through entitlement or as program income.

**Sources of Funds:** (defunded, reduced, or reprogrammed appropriations; or increased entitlements)

CDBG (increased entitlement)	\$ 232,000.00	CDBG
HOME (increased entitlement)	223,000.00	HOME
HOPWA (increased entitlement)	43,000.00	HOPWA
Emergency Shelter Program (reduced)	25,000.00	ESG
SAFE Streets (defunded)	32,583.00	CDBG
Robertson Community Center (defunded)	50,000.00	CDBG
Neighborhood Services Area 3 capital projects (reprogrammed)	<u>50,000.00</u>	CDBG
<b>TOTAL</b>	<b><u>\$434,813.00</u></b>	

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**Uses of Funds:** (new or increased appropriations, or reduced entitlement)

Butterworth and Cathcart	\$ 50,000.00	CDBG
Oak Park Community Center	50,000.00	CDBG
Sacramento ENRICHES	7,500.00	CDBG
Neighborhood Coaching Services	15,500.00	CDBG
Multi-family Acquisition and Rehabilitation Loans	2,230.00	HOME
Emergency Shelter Grant entitlement (reduced)	25,000.00	ESG
HOPWA Contingency	43,000.00	HOPWA
Reserve for Capital Projects	<u>241,583.00</u>	CDBG
 TOTAL	 <u>\$434,813.00</u>	

**POLICY CONSIDERATIONS**

The recommended actions are in accordance with federal regulations and the strategies adopted in the 1998-2002 Consolidated Plan.

**ENVIRONMENTAL REVIEW**

The Agency's funding actions do not constitute a project under CEQA Guidelines, section 15378(b)(3). Site specific CEQA review of individual project will be conducted by the implementing agency. All new capital projects will be reviewed pursuant to NEPA requirements prior to draw down of any funds.


**M/WBE CONSIDERATIONS**

The Agency's Minority and Women's Business Enterprise Program policy will be applied to all applicable projects.

Respectfully submitted,

  
ANNE M. MOORE  
Executive Director

Transmittal approved,

  
ROBERT P. THOMAS  
City Manager

**SCOPES OF WORK**

**Butterworth and Cathcart Avenue Infrastructure**

Both Butterworth and Cathcart Avenues are unpaved between Mabel Street and Nareb Street. Additionally the west and east ends of Butterworth and Cathcart are not aligned. The unfinished sections occur within a large, unmapped and undeveloped parcel in an otherwise built-out single family residential neighborhood. The large expanse of undeveloped land and the unfinished streets contribute to neighborhood traffic and dumping problems.

Completion of street improvements will make the site more attractive to private investors for mapping and build out as single family homes. Total cost of improvements is estimated to be \$424,000. This project has previously received funding of \$24,000 for design and engineering. Proposed funding will begin accumulation for the physical improvements. Additional funds will be sought in future years.

**Oak Park Community Center Improvements**

The Center is located at 3425 Martin Luther King Jr. Boulevard in the Oak Park redevelopment area. The structure is approximately 25 years old. Rehabilitation of the Community Center will include: flooring, sound attenuation, and painting. All activities should be complete by the end of 1999.

Planning for expansion of the Center is currently underway.

**Sacramento ENRICHES**

ENRICHES (Engaging Neighborhood Resources for Improving Children's Health, Education and Safety) was created in 1996 using a two-year planning grant from the Robert Wood Johnson Foundation. The organization has also received funding from City and County CDBG, Sacramento County Department of Human Assistance, Sierra Health Foundation, and in-kind support from United Way.

Most recently ENRICHES has received a commitment from the Sierra Health Foundation which will provide up to \$150,000 matching funds during 1999-2001. In response to this challenge ENRICHES has requested City and County CDBG funding in the amount of \$7,500 each for calendar years 1999 and 2000. Congress has not yet appropriated funds for the 2000 budget; therefore, those funds cannot be appropriated at the local level. However, this report does commit to setting aside 2000 CDBG funds when available.

ENRICHES is a Countywide collaborative with three primary objectives:

- Develop an effective network and forum of children's health collaboratives by expanding and formalizing the Sacramento ENRICHES collaborative to serve as an inclusive umbrella organization.
- Create a mutually supportive environment for the sustainability of the collaborative partner organizations by enhancing cooperation, joint funding requests, and sharing of resources and talents.
- Change public policy agendas, public norms, and increase public awareness of results-oriented models through increased media attention and advocacy.

The indicators by which ENRICHES' success will be evaluated are:

- Increase in the number of participating organizations and collaboratives by 25 percent each year
- Increase in the diversity of representative organizations by ten percent
- Increase participation by business community in collaborative organizations by five percent
- Increase capacities of and access to information between collaborative partner organizations by five percent
- Increase knowledge of community asset development
- Increase the number of sustainable collaboratives
- Increase informational exchange, coordination, and cooperation among collaborative members
- Decrease the number of duplicative or competitive funding requests within the same community or serving the same population
- Increase number of media stories dedicated to what's working, or results oriented coverage of childrens' programs/issues
- Increase discussion by policy makers regarding childrens' issues
- Increase legislative and budgetary support for children's issues
- Increase the consistency and strength of a local (Sacramento County wide) policy agenda for children
- Change in voter trends prioritizing children

### **Scope of Work**

Sacramento ENRICHES will research and document formal and informal programs and practices which are being undertaken in CDBG eligible neighborhoods throughout Sacramento, and the outcomes of those activities. Specifically those programs and practices which advocate, create, expand and improve services for children and their families.

This cumulative digest of programs will:

- Be made available to the public to promote existing programs
- Provide data which allows the public to evaluate the efficacy of each program
- Promote the expansion of best practices to more areas
- Assist in prevention of unnecessary duplication of programs

Furthermore ENRICHES will prepare a report that includes what role (if any) ENRICHES served in connection with each activity in order to demonstrate the service that ENRICHES can

provide by acting as a collaborative planning organization and an umbrella advocacy organization.

ENRICHES will provide quarterly reports that list the names and locations of activities identified along with a brief explanation.

ENRICHES shall prepare an annual report which must be submitted within 45 days of the end of the calendar year. This report will include a full description of each activity including outcomes, and the report that ENRICHES played in the creation and/or success of the activities.

The funds may be drawn down commensurate to the proportion of the contract year which has elapsed.

### **Neighborhood Coaching Services**

#### **SUMMARY**

There is a common objective among government, the community and law enforcement to help move all distressed and threatened neighborhoods to a state of stability within the next decade. The Neighborhood Coaching Service (NCS) Pilot Program will provide City and County of Sacramento neighborhoods with a comprehensive and organized system for developing self-help efforts at the grass roots level by providing information, technical assistance and guidance to support emerging or established neighborhood groups.

#### **BACKGROUND**

The Sacramento Mediation Center has provided conflict resolution for landlord/tenant, neighbor/neighbor and other community level disputes since 1987. The Neighborhood Coaching Services (NCS) Pilot Program dovetails with the Mediation Center's desire to provide a wider range of communication and conflict resolution services directly to the community.

#### **NCS will benefit:**

- City and County neighborhood groups who want to organize and develop partnerships to access local services
- Local government leaders and agencies
- Law enforcement officials who encounter chronic problems
- Landlords, property or business owners burdened with nuisance activities and other problems related to quality of life such as blight, illegal dumping, gangs and graffiti

NCS will complement existing public and private efforts and resources by addressing the following problems:

- Lack of awareness by many residents regarding the scope of government or law enforcement services
- Inactive or unorganized neighbors
- Low level crime, chronic nuisance activity and blighted property
- Limited public resources and support for neighborhood groups



NCS will tailor educational assistance in response to individual neighborhood problems. Information and educational services will empower neighborhoods to identify problems and take action toward resolution instead of confronting, complaining or moving away.

#### FINANCIAL CONSIDERATIONS

The cost for the first year of the program is \$93,000. This report recommends that the cost be shared equally among the city, county and SHRA. SHRA's portion will be funded equally by City and County CDBG (*ie*, \$15,500 each). CDBG funds may be used only to assist residents in CDBG eligible areas (Census tracts in which at least 51 percent of the residents have incomes no greater than 80 percent of the area median income) as identified in the 1990 Census.

The Sacramento Mediation Center will have overall responsibility for program funding, planning and evaluation of the Neighborhood Coaching Service.

#### POLICY CONSIDERATIONS

This proposal supports the Agency, Council and Board goals of neighborhood revitalization and reinventing of our city government. It provides a partnership among several agencies to fund a program that will address the underlying influences of conflict in neighborhoods.

The Mediation Center will provide quarterly activity reports to the Agency which indicate the location and types of assistance offered, and the outcomes.

**RESOLUTION NO. 99-188**

**APPROVED**  
BY THE CITY COUNCIL

ADOPTED BY THE SACRAMENTO CITY COUNCIL

**APR 20 1999**

ON DATE OF \_\_\_\_\_

OFFICE OF THE  
CITY CLERK

**AMENDMENT OF THE 1999  
COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION**

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

Section 1. The Sacramento Housing and Redevelopment Agency (Agency) is authorized to amend the 1999 Consolidated Plan Application to reflect the entitlement amounts shown in this report.

Section 2. The following Community Development Block Grant (CDBG) projects are complete or are being cancelled, and the funds are reallocated to contingency:

SAFE Streets	\$32,583.34
Robertson Community Center	50,000.00

Section 3. The following appropriations are reduced and the funding is transferred to new projects:

Neighborhood Services Area 3	\$ 50,000.00
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Section 4. The following appropriations are for new activities or increases to existing activities:

Oak Park Community Center Rehabilitation	\$ 50,000.00
Sacramento ENRICHES	7,500.00
Neighborhood Coaching Services	15,500.00
Strawberry Manor Street Improvements (increase)	50,000.00
Reserve for Capital Projects	241,583.34

Section 5. The Executive Director and the City Manager, or their designees, are authorized to execute contracts and Memoranda of Agreement (MOAs) (pursuant to Master Agreement dated June 13, 1995) on behalf of the Sacramento Housing and Redevelopment Agency to carry out these projects.

**FOR CITY CLERK USE ONLY**

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

DATE ADOPTED: \_\_\_\_\_

Section 6. The City Manager is authorized to accept the allocations in the Memoranda of Agreement (MOAs) between the City and SHRA related to expenditures of CDBG funds in this amendment, and to establish appropriations for the projects as detailed in the MOA.

Section 7. SHRA is authorized to amend the CDBG, HOME, ESG, AND HOPWA budgets to reflect Sections 1, 2, 3, and 4 above.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
**FOR CITY CLERK USE ONLY**

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

DATE ADOPTED: \_\_\_\_\_