



CITY OF SACRAMENTO

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DEPARTMENT OF PLANNING AND DEVELOPMENT

1231 "I" Street

Sacramento, Ca. 95814

Administration
Room 300 449-5571
Building Inspections
Room 200 449-5716
Planning
Room 200 449-5604

June 5, 1986

Transportation and Community
Development Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Housing Element Task Force Recommendations
(M85-061)

SUMMARY

This is a progress report on the efforts of the Housing Task Force to date. Your Committee is being asked to consider and comment on the program recommendations completed so far, and to refer them back to the Department of Planning and Development for analysis and recommendations.

BACKGROUND INFORMATION

As part of the 1985 Housing Element approval process, the City Council directed the Planning staff to set up a Housing Task Force which would examine fifteen programs and submit a progress report to the City Council on new program implementation six months after its inception. The Task Force is now able to make recommendations on six of the fifteen programs and will report back within six months on the remaining programs. The attached recommendations were developed by the Housing Task Force for consideration by the Transportation and Community Development Committee.

FINANCIAL IMPLICATIONS

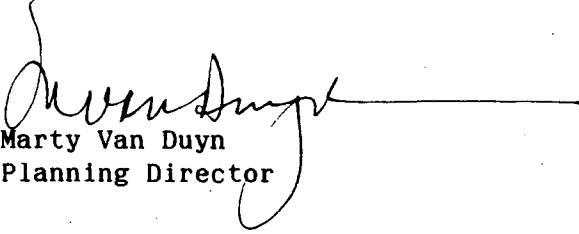
The financial implications of each Task Force recommendation will require assessments by the affected City Department(s) and work should be done and reported back to the City Council.

RECOMMENDATION

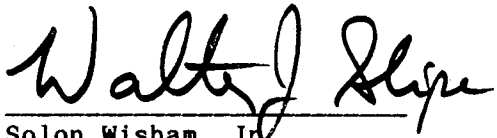
The Planning and Development Department recommends that the Transportation and Community Development Committee:

1. Identify those programs which should be pursued further.
2. Refer the identified programs to the Department of Planning and Development for evaluation and specific administrative, financial and legal analysis and recommendations; and
3. Request Housing Task Force completion of the remaining tasks.

Respectfully submitted,


Marty Van Duyn
Planning Director

RECOMMENDATION APPROVED:


Solon Wisham, Jr.
Assistant City Manager

FOR

DH:lao
attachments
M85-061

HOUSING ELEMENT TASK FORCE RECOMMENDATIONS

The Housing Element Task Force is prepared to explain its program recommendations on the following items:

- Community Mediation Boards
- Central Information Center
- Using the Revenue and Taxation Code Section 17274
- File Order to Repair with County Recorder
- The City to have Receivership Power
- Non-Profit Housing Corporation
- An Enterprise System for the Building Division of the Department of Planning and Development

The following is a brief discussion of each of the recommendations with related Housing Element programs. The Housing Element Programs are appended to this report.

Community Mediation Boards (Program 2)

It is proposed that Sacramento consider the establishment of a network of Community Mediation Boards for the purpose of building safe, cohesive neighborhoods by encouraging voluntary resolution of conflicts before they escalate into violence or require intervention by police, courts, or agencies. The Community Mediation Boards would be independent of the courts and law enforcement agencies, and would be operated primarily on a voluntary referral basis.

The heart of the Community Board process is the hearing, where a panel of trained neighborhood volunteers help the people with the dispute communicate, understand each other, and reach a resolution. In this neutral, supportive setting, panelists also help disputants discover the underlying causes of their conflict. Panelists are trained to be impartial. They do not create a solution, but guide those in conflict toward their own resolution. About 92 percent of Community Board hearings end with a voluntary written agreement. The Sacramento Neighborhood Mediation Center would like to establish pilot programs in the Oak Park and North Sacramento communities.

It is recommended that the City consider efforts to establish Community Mediation Boards in neighborhoods throughout the City and instruct the Task Force to work with the pilot projects in developing an implementation strategy.

Central Information Center (Program 1)

The Housing Element Task Force recommends that the City establish an Information Center where developers and other interested people could obtain information on housing issues and programs. The Task Force recommends that the existing Community Information Center be improved and expanded to provide this service.

In addition, the Task Force recommends that there be one place in the Planning Division where developers could go to get pertinent housing information such as the infill incentive program, multifamily design guidelines and other programs to increase the supply of affordable housing. This program would expand upon the consumer oriented Community Information Center presently located in the Main Library downtown.

It is recommended that the City Council direct the Housing Element Task Force to work with the Information Center, SHRA, and the Planning Division to develop an implementing strategy and report back to the City Council.

Using the Revenue and Taxation Code Section 17274 (Program 11)

The Task Force believes that the City Council could provide more effective code enforcement by using provisions in the Revenue and Taxation Code Section 17274 which provides for the disallowing of deductions for interest, taxes, depreciation or amortization by owners of substandard rental housing. There are two good reasons for using this law. First, it appears to be an effective enforcement tool. Second, it takes very little time to process. Third, the City gets money back from the State representing the difference between the higher level of taxation and the older lower rate when deductions for the substandard property were taken. Sacramento County uses Code Section 17274. County officials see its major value in getting the owner's attention that the County is indeed serious about having significant health and safety violations corrected.

The procedure is: Complaint received; inspector sent; if problem, Notice of Noncompliance issued with Order to Repair within 6 months; if no compliance within 6 months (City may extend if good faith is shown that owner is in process of repairing), the City issues Notice of Intent to Franchise Tax Board with copy to owner; Owner has 10 days to appeal the Notice of Intent. Franchise Tax Board withholds tax deductions at end of 10 day appeal period.

It is recommended that the City Council direct the Department of Planning and Development in developing an implementation strategy for the City's use of the Revenue and Taxation Code Section 17274.

File Order to Repair with County Recorder (Programs 11 and 13)

The Task Force believes that the City could avoid problems of adequate notice and protect prospective buyers of unsafe living units by filing an Order to Repair with the County Recorder. The Order to Repair would then become a part of the Title Report. By filing the Order to Repair, the City would not have to keep issuing Orders to new owners who may not have been aware of any health and safety problems when they bought the structure.

It is recommended that the City Council instruct the Task Force to draft an implementation strategy for consideration.

The City to Have Receivership Power (Programs 11 and 13)

The Task Force recommends that the City Council consider an ordinance giving it explicit receivership powers to go to court, to have a receiver appointed to make repairs on a blighted property when the owner will not do it. The Task Force also recommends that the City Council instruct it to develop an implementation strategy for the Council's review and possible action. It should be noted that the receivership power should only be used in extreme cases. Basically, the receiver needs the power to collect rents and income from the property to pay for the repairs and to authorize the placing of tax liens for the recovery of expenses. The Health and Safety Code 17980 allows the City receivership power in a broad sense. Local ordinances would make those powers more explicit. In addition, Chapter 16 of the Uniform Housing Code (Recovery of Cost of Repair or Demolition) establishes a comparable process for the City.

Non-Profit Housing Corporation (Programs 4, 7 and 14)

The Task Force recommends that the City of Sacramento should take active steps to develop a housing production oriented Non-Profit Housing Corporation with a defined region of operation of City and County (for operation feasibility purposes). The City should act to make resources available to this organization for the necessary development financing or loan guarantees for site acquisition, planning, infrastructure and preliminary architectural design. The City shall also provide necessary seed money for a five-year period. The Board of Directors should reflect a partnership between the public and private interests. The City should support the continued efforts of existing non-profit housing corporations in the City that provide varied housing needs. It is recommended that the City Council instruct the Task Force to draft an implementation strategy for consideration.

An Enterprise System for the Building Division of the Planning and Community Development Department

The Task Force makes the following recommendations for the City Council to consider:

Recognizing the insufficient staff found in the Building Division, the concern expressed by Housing Element Task Force members regarding public health and life safety resulting from inadequate staffing levels, the Housing Element Task Force hereby recommends the establishment of a Building Division Task Force comprised of building industry and City staff representatives and informed public members to research and develop an enterprise system of Building Division funding and refinements included, but not limited to:

1. Providing a contractor a choice of submitting construction plans to the Building Division for approval or taking the plans to a City approved consultant for approval.
2. Institute employment training and incentives for a receptionist that would direct people where to go for information and whom to talk to regarding particular projects.

3. Provide adequate resources to support a management policy within the Building Division that emphasizes services to the public through additional staffing.

The remaining tasks currently being worked on are: Programs 3, 5, 6, 8, 9, 10, 12, and 15. The Housing Element Task Force will report back within six months on its progress on these programs.

APPENDIX A

HOUSING ELEMENT PROGRAMS

POLICY 1: Appoint a Broad-Based Housing Task Force of up to 15 Members to Examine New Programs Identified Below

Previously cited new programs which are considered self explanatory and not requiring Housing Task Force involvement are those listed under: New Housing Policy 6 and Special Needs Housing Policy 4.

New Program 1: A central housing information center or individual to disseminate information to City and County housing providers and users (builders, developers, landlords, renters, purchasers). Emphasis should be directed at improving the distribution of information on available housing programs and funding sources with particular emphasis on low and moderate housing assistance programs.

New Program 2: Suitable method for resolving landlord-tenant problems, especially for low income and minority individuals or households.

New Program 3: A program for increasing the supply of limited equity ownership housing.

New Program 4: Examination of new ways to reduce housing costs. Efforts in this area should focus on Building and Housing Code reforms that lessen housing costs for low and moderate income households by January 1987.

New Program 5: A program offering cooperative housing ventures to qualified low income households in return for occupancy and improvement loan guarantees to landlords of rental complexes. This would meet low income renter needs and fill anticipated vacancies created if move-ups occur through increased apartment construction.

New Program 6: A feasibility study to determine if the City or a non-profit organization could back-up lower interest improvement loans to landlords of substandard apartment complexes. This would eliminate costly abatement proceedings by increasing the availability of low interest improvement loans as an alternative.

New Program 7: Examination of City land banking or similar mechanisms to assure lower cost housing in select areas where economic forces would otherwise preclude such housing. The Downtown redevelopment area, in particular, should be addressed with this in mind, thereby achieving the goal of a Downtown commercial center whose success in part rests with close-by affordable housing.

New Program 8: Provide fee reduction incentives for the construction of special needs housing.

New Program 9: Examine housing trust funds, renter insurance pools and landbanking as a way of addressing low income renter needs.

New Program 10: Solicit from the Human Rights Commission ways to improve the enforcement of antidiscrimination laws including discrimination based on income source and methods for resolving just cause eviction. The Human Rights Commission shall report its findings to the City Council.

New Program 11: Examine the feasibility of using Section 17299 of the California Revenue and Taxation Code or other means to abate substandard multiple family rental housing.

New Program 12: Examine the feasibility of using City pension funds, umbrella bonds, revolving funds, or other temporarily idle funds and gap financing mechanisms to deliver low cost housing.

New Program 13: Examine the feasibility of strengthening the City's code enforcement programs, especially targeting lower income housing.

New Program 14: Examine the feasibility of implementing "self help" or "sweat equity" rehabilitation and new construction housing programs.

New Program 15: Examine the feasibility of establishing a voluntary compliance program for fix-up or demolition of rental apartments in redevelopment areas.

New Program 16: The Housing Task Force shall submit a progress report to the City Council on New Program Development implementation strategies 6 months after its inception.

APPENDIX B

HOUSING ELEMENT TASK FORCE MEMBERS

KAYE ANTEL - Renter-At-Large
CINDY CAVANAUGH - Human Rights/Fair Housing Commission
JONATHAN ELLISON - Legal Center for the Elderly and Disabled
BEVERLY FRETZ-BROWN - League of Women Voters
BETTY GWIAZDON - Sacramento Valley Apartment Association
LOUVENIA HODGE - Low Income Advocate
BOB HOLMES - Building Industry Association of Superior California
COLLETTE JOHNSON-SCHULKE - Sacramento Board of Realtors
RALPH PALMER (CHAIR) - Mortgage Lender
FRANK RAMIREZ (VICE CHAIR) - Sacramento City Planning Commission
PAUL SCHMIDT - Capitol Area Development Authority
DIANE SMITH - Home Owner/Active Citizen
MARK STEINER - Builder/Developer/Rehabilitation
MACK STONHAM - Code (Construction) Expert
LANNY TOBE - Financial Broker/Lender
FRANK WILKINSON - Elderly-At-Large
FRANCIS WOOLEY - Sacramento Housing and Redevelopment Agency