

RESOLUTION NO. 96-011

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF DEC 3 1996

BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY FOR 1997

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

Section 1: The 1997 Operating Budget totalling \$87,891,056 and the 1997 Project Budget totalling \$39,399,945, all as further described in the "1997 Proposed Budget," a copy of which is on file with the Agency Clerk, are approved as the Budget of the Sacramento Housing and Redevelopment Agency ("SHRA") for the 1997 fiscal year.

Section 2: A total of 349.67 SHRA positions, a decrease of 6.5 positions, are approved subject to classification review by the Executive Director. (References to the Executive Director shall mean the Executive Director of SHRA).

Section 3: The budgeted amount for any item in the SHRA budget may be amended by majority vote of the governing body of the entity actually undertaking and funding the activity. Such an amendment so enacted shall be deemed to have been approved by all of the entities originally establishing the budget without further action of the remaining entities.

Section 4: The Executive Director is authorized to submit the Annual Housing Operating Budgets and all supporting documents for 1997 to the United States Department of Housing and Urban Development (HUD), including all required amendments, for utilities and other miscellaneous adjustments. Furthermore, the Executive Director is authorized to amend the SHRA budget to reflect actual HUD approved expenditures and revenues for HUD funded projects.

Section 5: The proposed expenditures under the 1997 Housing Operating Budgets are necessary in the efficient and economical operation of the housing to serve low-income families.

Section 6: The housing financial plan set out in the 1997 Housing Operating Budgets is reasonable in that:

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- a. It indicates a source of funding adequate to cover all proposed expenditures.
- b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.

Section 7: All proposed rental charges and expenditures contemplated by the 1997 Housing Operating Budgets shall be consistent with provisions of law and the Annual Contributions Contract.

Section 8: The Executive Director is authorized to submit applications to HUD for Comprehensive Grant Program funding. The Executive Director is authorized to accept the grant or grants, execute all related documents, amend the budget, and will comply with all policies, procedures, and requirements prescribed by HUD for modernization. The Executive Director is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review.

Section 9: The Executive Director is authorized to obtain flood insurance through the federal flood insurance program as required by HUD.

Section 10: The funding gap between federal sources and operating costs for low-income rental housing units located within the City and County shall be funded by tax increment funds from redevelopment project areas, as follows:

<u>Redevelopment Area</u>	<u>Project</u>	<u>Amount</u>
Oak Park	Various Oak Park Units	\$ 12,444
Merged Downtown	Miscellaneous City	1,973,364
Merged Downtown	Miscellaneous County	122,306
Richards	Miscellaneous County	<u>97,694</u>
Total		<u>\$2,205,808</u>

The expenditure of tax increment funds for such housing, in the manner specified, benefits the respective redevelopment areas in that the housing so provided is in or adjacent to the respective redevelopment areas and provides housing for low-income families, which housing stock is currently inadequate in the respective redevelopment areas.

Section 11: The expenditure of tax increment funds for homeless shelter activities will benefit the Merged Downtown Sacramento Redevelopment Project Area because it will provide housing for a homeless population which remains in or frequents the Merged Downtown Sacramento Redevelopment Project Area and is perceived as a blighting influence by business owners, property owners, workers and residents, and, as a result, impedes redevelopment of the Merged Downtown Sacramento Redevelopment Project Area.

Section 12: The Executive Director is authorized to submit to HUD the one year action plan

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for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for People With AIDS (HOPWA). The Executive Director is authorized to accept the grants, execute all related documents, amend the budget, and will comply with all policies, procedures and requirements prescribed by HUD. The Executive Director is authorized to amend the CDBG contingency fund in the event that the actual entitlement exceeds, or is less than, that estimated in the budget.

Section 13: The Executive Director is authorized to submit grant applications for any and all activities within the jurisdiction of the Agency. The Executive Director is authorized to accept such grants, to amend the Agency Budget to receive and allocate the grant funds, and to implement the actions required by the grant for any projects and programs currently within the Agency's jurisdiction, provided that the activities are fully funded by the grant. Such budget expenditure augmentations are permitted for positions, services and supplies, equipment and projects; and include but are not limited to the following:

Office of Economic Adjustment Grant	\$ 25,700
HUD Drug Elimination Grants	\$ 713,200
Head Start Grant	\$ 52,000

Section 14: The Executive Director is authorized to enter into necessary contracts with HUD and state granting agencies for homeless programs transferred to the County but for which the Agency was the awarded or contracting Agency; including, but not limited to the following:

U. S. Dept. of Housing and Urban Development: \$ 9,306,571

This amount is an estimate of grants to be applied for, approved and accepted in calendar year 1997. The Executive Director is authorized to accept grants and to transfer program responsibility to the County pursuant to governing board approvals.

Section 15: During 1996, tax increment funds from the Merged Downtown Sacramento Redevelopment Project Area (Downtown) have contributed to programs and activities of other areas and departments which benefit Downtown. Subject to the limitations of the funding source, the Executive Director is authorized to reimburse Downtown for funds advanced to other programs as monies become available from the close of the 1996 fiscal year.

Section 16: On an annual basis, HUD requires the Agency to conduct a physical inventory, analyze receivables for collectibility and accordingly, reconcile and adjust related financial records; the Executive Director is authorized to amend the budget as needed for such adjustments.

Section 17: The Executive Director is authorized to make transfers of December 31, 1996 fund balances to accommodate reserve requirements. The Executive Director may allocate and transfer any available fund balances to accounts held for future projects or to reduce budget shortfalls in any other fund balances, provided monies so used are not otherwise restricted by law or regulations related to the funding source.

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Section 18: The Executive Director is authorized to transfer monies for capital projects funded by Downtown tax increment to the Certificate of Participation (COP) fund to utilize COP interest earnings in compliance with the required use of this interest.

Section 19: The Executive Director is authorized to transfer funding of approved capital projects within the respective project area funds to ensure compliance with bond covenants, tax laws and applicable redevelopment laws and regulations.

Section 20: The Executive Director is authorized to modify the internal administrative loan contained within this budget as needed for redevelopment purposes according to the actual December 31, 1996 fund balances and any revisions to anticipated redevelopment area revenues as of June 30, 1997.

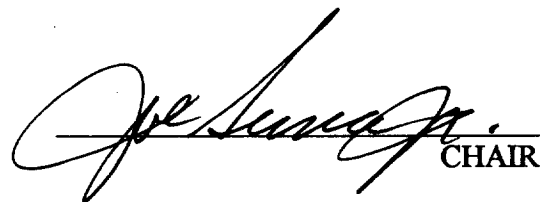
Section 21: The Executive Director is authorized to implement internal loans between Agency managed funds consistent with bond covenants, tax laws and applicable redevelopment laws and regulations.

Section 22: The Executive Director is authorized to increase the equipment replacement fund reserves by the excess of monies collected as part of overhead over the equipment expenditures as of December 31, 1997.

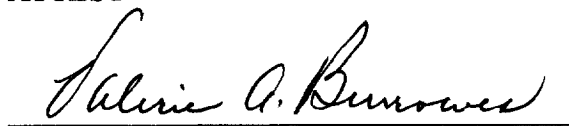
Section 23: The Executive Director is authorized to approve conversion of conventional dwelling units to non-dwelling use as long as the use is approved by HUD and consistent with adopted Agency policy and governing board direction.

Section 24: The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 1997 Budget.

Section 25: This resolution shall take effect immediately.


CHAIR

ATTEST


SECRETARY

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EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING
AND REDEVELOPMENT AGENCY PROPOSED 1997 BUDGET

Proposed 1997 Total Operating Budget	\$87,891,056
Proposed 1997 New Projects	\$39,399,945
Redevelopment Area - North Sacramento Developers Assistance	(\$11,429)
Redevelopment Area - North Sacramento L/M CIP Housing Developers Assistance	(\$503)
Redevelopment Area - Walnut Grove Developers Assistance	\$11,429
Redevelopment Area - Walnut Grove L/M CIP Housing Developers Assistance	\$503
Revised Proposed 1997 New Projects	\$39,399,945
TOTAL AGENCY BUDGET	\$127,231,001

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