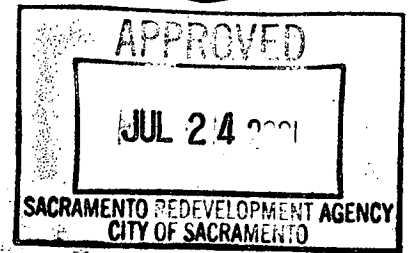




**Sacramento
Housing &
Redevelopment
Agency**

June 20, 2001



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

Honorable Members in Session:

**SUBJECT: APPOINTMENT PROCEDURES AND RESTRUCTURE OF AGENCY LOAN
COMMITTEE**

LOCATION & COUNCIL DISTRICT - Citywide

RECOMMENDATION

Staff recommends adoption of the attached resolutions which approve the procedures for selecting and appointing members to the Sacramento Housing and Redevelopment Agency Loan Committee and creating terms limits for committee members.

CONTACT PERSONS

Dana Phillips, General Counsel, 440-1330
Joan Roberts, Director, Public & Internal Communications, 440-1363

FOR COUNCIL MEETING OF - July 24, 2001

SUMMARY

For many years a subcommittee of the Sacramento Housing and Redevelopment Committee has reviewed various Agency loans, primarily for compliance with the Agency's underwriting guidelines. This report requests that the selection process and composition of the Loan Committee be modified. The By-laws of the Sacramento Housing and Redevelopment Commission will be amended according to any approved modifications.

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COMMISSION ACTION

At its meeting June 20, 2001, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Amundson, Burns, Castello, Cespedes, Faust, Graham, Harland, Hoag,
McCarty, Newsome, Simon

NOES: None

ABSENT: None

BACKGROUND

On December 1, 1998 you approved the Underwriting Guidelines for the Agency. Those guidelines outlined the functions and responsibilities of the Loan Committee. A copy of the Loan Committee and Governing Board authorities is attached as Attachment I.

The Loan Committee presently consists of three Sacramento Housing and Redevelopment Agency Commissioners, two members from the banking community and an alternate member from the banking community. Staff is recommending a modification of the composition of the committee to achieve a balance when reviewing and approving loans by decreasing the number of Commissioners and targeting their participation based on their legal/development/financial experience. Staff is further recommending a staff member be appointed to the Committee.

The appeal process from the Loan Committee to the Sacramento Housing and Redevelopment Commission will remain unchanged.

Recommended Loan Committee Composition

Staff is recommending that the Committee be structured as follows:

- a. Two Sacramento Housing and Redevelopment Commission members.
- b. The Agency's Deputy Executive Director (or her permanent designee);
- c. Two members from the banking/development community; and
- d. One alternate member from the Commission or banking/development community.

The current practice of using the alternate anytime a member is absent will remain unchanged.

One Commission member must be present at all Loan Committee meeting to constitute a quorum.

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With the proposed structure, the Loan Committee will no longer be a sub-committee of the Sacramento Housing and Redevelopment Commission.

Loan Committee Selection Process

In the past, loan committee members have been selected after review by various Agency staff members. There was an understanding that the Greater Sacramento Certified Development Corporation would be responsible for appointing one member of the committee.

Staff is recommending that a selection committee consisting of one current loan committee member, a Program Manager from the Program Operations Department and a Program Manager from the Development Services Department review applications. The Executive Director shall appoint the Program Managers to the selection committee. The selection committee will forward its recommendation to the Commission Chairperson for review and subsequent approval by the Sacramento Housing and Redevelopment Commission. The Greater Sacramento Certified Development Corporation will no longer be responsible for member appointments.

The Sacramento Housing and Redevelopment Agency will solicit and receive applications for review and processing to the selection committee.

Term Limits

Staff is recommending committee members, except the Deputy Executive Director, be appointed to a two-year term with a two-term limit. This proposal requires a two-year gap before a person may be reappointment after completing two full terms. The Deputy Executive Director will not have any term restrictions. The initial terms will be staggered between one and two-year appointments, so term expirations dates will not fall at the same time.

The appointment process for the initial terms shall be as follows:

- a. One Commissioner shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;
- b. One Commissioner shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment;
- c. One at-large member shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

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- d. One at-large member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment; and
- e. The alternate member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment.

FINANCIAL CONSIDERATIONS

Approval of this action will have no financial impact on the Agency.

POLICY CONSIDERATIONS

The recommended action modifies existing Agency policy by creating term limits for Committee members.

ENVIRONMENTAL REVIEW

This is an administrative action exempt from environmental review per CEQA Guideline Section 15378 (b)(3); NEPA does not apply.


M/WBE CONSIDERATIONS

The action proposed in this report has no MBE/WBE impact.

SBE CONSIDERATIONS

The action proposed in this report has no SBE impact.

Respectfully submitted,



ANNE M. MOORE
Executive Director

Transmittal approved,



ROBERT P. THOMAS
City Manager

LENDING AUTHORITY

A. Staff Authority

Subject to the rules and restrictions of the respective loan program and the Underwriting Guidelines, the Agency Loan Committee is delegated the authorities, as outlined below in this Section B. These levels of authority apply to Commercial and Residential Loans as well as Facade Grants that are within the standard underwriting criteria.

<i>Position</i>	<i>Maximum Loan Amount</i>
Executive Director, or her designee	\$100,000

B. Loan Committee and Governing Body Authority.

Subject to the rules and restrictions of the respective loan program and the Underwriting Guidelines, the Agency Loan Committee is delegated the authorities as outlined below in this Section B.

Body

Loan Committee

Maximum Loan Amount

Commercial Loans

Under \$500,000

Residential Loans

Under \$1,000,000 or \$20,000 per residential unit, whichever is less

C. Governing Body

For all other loans, governing body approval must be obtained.

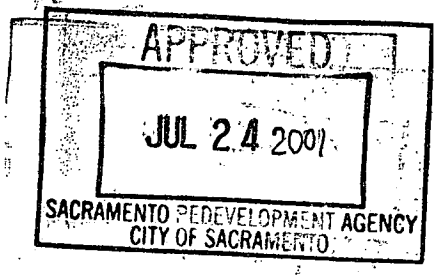
Body

City Council or Board of Supervisors

Maximum Loan Amount

Above \$500,000 for Commercial and

Above \$1,000,000 for Residential



RESOLUTION NO. 2001-045

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

**APPROVING APPOINTMENT PROCEDURES
AND RESTRUCTURE OF AGENCY LOAN COMMITTEE**

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

- Section 1. The composition of the Loan Committee shall be as follows:
- a. Two Sacramento Housing and Redevelopment Commission members.
 - b. The Agency's Deputy Executive Director (or her permanent designee)
 - c. Two members from the banking/development community
 - d. One alternate member from the Commission or banking/development community.

Section 2. One Commission member must be present at all Loan Committee meeting to constitute a quorum.

- Section 3. The Loan Committee Selection Process shall be as follows:
- a. a selection committee consisting of one current loan committee member, a Program Manager from the Program Operations Department and a Program Manager from the Development Services Department review applications. The Executive Director shall appoint the program managers to the selection committee.
 - b. The selection committee will forward its recommendation to the Commission Chairperson for review and subsequent approval by the Sacramento Housing and Redevelopment Commission.

- Section 4. The term limits for committee members shall be as follows:
- a. Committee members, except the Deputy Executive Director, are appointed to a two-year term with a two-term limit. This proposal requires a two-year gap before a person may be reappointment after completing two full terms. The Deputy Executive Director will not have any term restrictions. The initial terms will be staggered between one and two-year appointments so term expirations dates will not fall at the same time.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ (6)

b. The appointment process for the initial terms shall be as follows:

One Commissioner shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One Commissioner shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment; and

The alternate member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment.

Section 5: All prior policies regarding appointment procedures, as well as the composition and duration of members of the Loan Committee are rescinded and are replaced in full by this resolution.

CHAIR

ATTEST:

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ (7)



RESOLUTION NO. 2001-010

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF

APPROVING APPOINTMENT PROCEDURES
AND RESTRUCTURE OF AGENCY LOAN COMMITTEE

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

Section 1. The composition of the Loan Committee shall be as follows:

- a. Two Sacramento Housing and Redevelopment Commission members.
- b. The Agency's Deputy Executive Director (or her permanent designee)
- c. Two members from the banking/development community
- d. One alternate member from the Commission or banking/development community.

Section 2. One Commission member must be present at all Loan Committee meeting to constitute a quorum.

Section 3. The Loan Committee Selection Process shall be as follows:

- a. a selection committee consisting of one current loan committee member, a Program Manager from the Program Operations Department and a Program Manager from the Development Services Department review applications. The Executive Director shall appoint the program managers to the selection committee.
- b. The selection committee will forward its recommendation to the Commission Chairperson for review and subsequent approval by the Sacramento Housing and Redevelopment Commission.

Section 4. The term limits for committee members shall be as follows:

- a. Committee members, except the Deputy Executive Director, are appointed to a two-year term with a two-term limit. This proposal requires a two-year gap before a person may be reappointment after completing two full terms. The Deputy Executive Director will not have any term restrictions. The initial terms will be staggered between one and two-year appointments so term expirations dates will not fall at the same time.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ (8)

b. The appointment process for the initial terms shall be as follows:

One Commissioner shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One Commissioner shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment; and

The alternate member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment.

Section 5: All prior policies regarding appointment procedures, as well as the composition and duration of members of the Loan Committee are rescinded and are replaced in full by this resolution.

CHAIR

ATTEST:

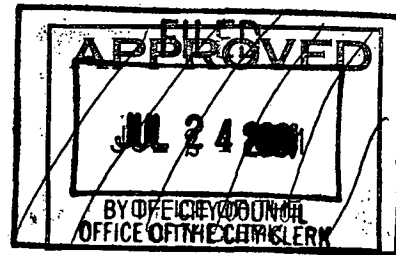
SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ (9)

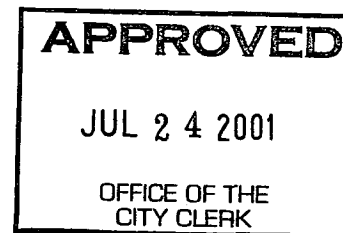
RESOLUTION NO. 2001-506



ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**APPROVING APPOINTMENT PROCEDURES
AND RESTRUCTURE OF AGENCY LOAN COMMITTEE**



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

Section 1. The composition of the Loan Committee shall be as follows:

- a. Two Sacramento Housing and Redevelopment Commission members.
- b. The Agency's Deputy Executive Director (or her permanent designee)
- c. Two members from the banking/development community
- d. One alternate member from the Commission or banking/development community.

Section 2. One Commission member must be present at all Loan Committee meeting to constitute a quorum.

Section 3. The Loan Committee-Selection Process shall be as follows:

- a. a selection committee consisting of one current loan committee member, a Program Manager from the Program Operations Department and a Program Manager from the Development Services Department review applications. The Executive Director shall appoint the program managers to the selection committee.
- b. The selection committee will forward its recommendation to the Commission Chairperson for review and subsequent approval by the Sacramento Housing and Redevelopment Commission.

Section 4. The term limits for committee members shall be as follows:

- a. Committee members, except the Deputy Executive Director, are appointed to a two-year term with a two-term limit. This proposal requires a two-year gap before a person may be reappointment after completing two full terms. The Deputy Executive Director will not have any term restrictions. The initial terms will be staggered between one and two-year appointments so term expirations dates will not fall at the same time.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

b. The appointment process for the initial terms shall be as follows:

One Commissioner shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One Commissioner shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for an initial one-year term. This initial one-term shall consist of one complete term. This member shall be eligible for only one immediate two-year reappointment;

One at-large member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment; and

The alternate member shall be appointed for a full two-year term. This two-year term shall constitute one complete term. This member shall be eligible for only one immediate two-year reappointment.

Section 5: All prior policies regarding appointment procedures, as well as the composition and duration of members of the Loan Committee are rescinded and are replaced in full by this resolution.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____