

RESOLUTION NO. 82-024

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

April 20, 1982

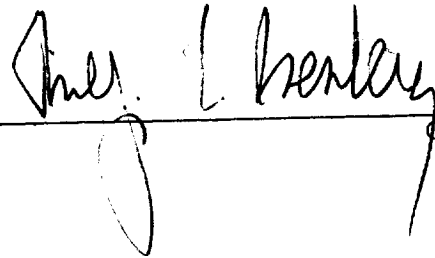
RELOCATION OF OCCUPANTS FROM MARK TWAIN HOTEL

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

Section 1. The Relocation Plan as outlined in the attached report is hereby approved. The Executive Director is authorized to expand up to \$110,000 from uncommitted tax increment funds from Project No. 8 to implement the Relocation Plan for the Mark Twain Hotel.

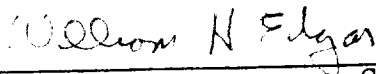
Section 2. The Executive Director is authorized to enter into a relocation agreement with the owner of the Mark Twain Hotel in accordance with the provisions outlined in the attached report

Section 3. The Executive Director is directed to review and report back within 21 days identifying and quantifying the financial and other impacts to the Agency of the proposed staff report dated April 14, 1982.



CHAIRPERSON

ATTEST:



SECRETARY

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

April 19, 1982

Redevelopment Agency of the
City of Sacramento
Sacramento, California

CITY MANAGER'S OFFICE
RECEIVED
APR 19 1982

Honorable Members in Session:

SUBJECT: Relocation of Occupants from the Mark Twain Hotel

SUMMARY

This report is to outline a relocation assistance program for the residents of the Mark Twain Hotel based on their replacement housing needs and recommends that Agency staff review and quantify the financial and other impacts to the Agency of the options contained in the City staff report of April 14, 1982 and report back within 21 days.

BACKGROUND

This report and recommendation was prepared at the request of the Budget and Finance Committee meeting of April 13th. The following outlines the existing conditions, the availability of replacement housing and estimated costs and staff to implement this program.

Existing Situation

Total Number of Hotel Rooms		133
Total Number of Residents		110
Types of Occupants:		
Elderly		75
Disabled	APR 20 1982	10
General Assistance		8
Employed		8
Transient		10

Present monthly Mark Twain Room Rents:

100 rooms without bath	\$104.00 per month
33 rooms with bath	\$112-115-130 per month

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

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According to the manager, on February 28, the residents were issued a vacate notice, effective May 15.

Resident's Source of Income and Amount (Estimate)

Social Security	\$500
SSI	450
General Assistance	200

Length of Occupancy

Majority six months and over. Fifteen to twenty persons over ten years.

Relocation Plan

The relocation assistance for the Mark Twain residents has been formulated to differ slightly from the Clunie Hotel assistance because the majority of the residents at the Mark Twain are elderly, and it is felt that staff will need to locate the replacement housing rather than the displacee. The Clunie Hotel had a younger and more mobile population that could find housing on their own. A comparison of the benefits are outlined below:

	<u>Clunie</u>	<u>Mark Twain</u>
a. Fixed dislocation allowance	\$200	\$ 0
b. Finder's fee for first month's rent	75	0
c. First month rent (up to)	0	175
d. Rent differential per month for 11 months	30	40
e. Security deposits (assuming 50 persons)	75	100
f. Utility deposit (assuming 50 persons)	92	202
g. Furniture allowance (assuming 50 persons)	300	300

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Description of Payments

1. First month's rent up to \$175 x 110 =	\$19,250
2. Rent differential up to \$40 per month x 11 x 110 =	48,400
3. Security deposits - \$100 x 50 =	5,000
4. SMUD deposit \$50, PG&E \$60, Telephone \$70 and installation \$22 - \$202 x 50 =	10,000
5. Furniture allowance - \$300 x 50 =	<u>15,000</u>
	<u>\$97,650</u>

Ineligible Residents

Any tenant who has not resided in the Hotel for at least one month prior to February 28, 1982 (date of vacate notice) will be deemed ineligible for any relocation payments.

Comparision of Replacement Housing Rents

Hotels (rent range \$105-145) - \$145

Private rentals - studios and one bedroom (\$155-175) - \$165

Conventional elderly public housing - 1/4 of income

Existing Section 8 housing units - 1/4 of income

Availability of Replacement Housing Units

A telephone survey indicated about 3.7% hotel vacancy rate x an estimated 1,118 rooms in 19 existing hotels = 44 units. The Housing Authority has 15 vacant units for elderly persons and is holding these open for eligible persons. In addition, there is an estimated 20 vacant units of housing available in the downtown area. The total estimate available is 75. Staff feels the remaining 40 units will become available upon further investigation and search.

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Staff Required to Relocate Residents

- 1 Relocation Administrator
- 3 Relocation Specialists (Housing Aides)
- 1 Clerk-Typist
- 1/4 Finance Clerk
- 3 Social Service Workers (from Welfare Department, awaiting confirmation of assistance)
- 1 Social Security Worker (confirmed assistance)
- 1 Runner

Job Descriptions

Supervisor - To coordinate and supervise relocation.

Relocation Specialists - To interview clients; determine their housing needs; obtain housing for them, either by referral or taking them by car to actually secure a residence; follow through with the actual moving of person and belongings; and prepare relocation claims. Each Specialist would be responsible to handle the relocation of approximately 25 cases each in 21 days.

Social Service Workers - To provide assistance to Relocation Specialists.

Social Security Worker - To provide assistance with notice of change of address and answer questions regarding social security.

Clerk-Typist - To prepare case files on each person, to obtain verification of occupancy, to type relocation claims for payments, and to answer telephone.

Runner - To pick up claims for payments at hotel and deliver checks from Agency Finance Department.

Technical and Administrative Costs

1 Relocation Administrator @ \$14.91 x 8 = \$77.85 x 15 =	\$1,168
3 Specialists @ \$7.00 x 8 - \$56 x 3 x 15 =	2,520
1 Clerk-Typist @ \$7.00 x 8 - \$56 x 15 =	840
Employee Benefits and Indirect Costs =	<u>4,681</u>
	\$9,209

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Other Costs

Moving Company Van and 2 men @\$32 per hour (24 hours x \$32) = \$ 768

Proposed Relocation Agreement

Agency to enter into an agreement with owner whereby owner agrees to: 1) cease re-renting any rooms after May 1, 1982; 2) provide Agency with current hotel register, provide verification of length of occupancy; 3) provide lobby/office space and telephone service to Relocation staff during 21-day relocation assistance program. The owner has been contacted and has verbally agreed to this agreement.

Upon execution of an agreement with owners of the hotel, relocation assistance to Mark Twain residents estimated to commence on May 1, 1982 through May 21, 1982.

Proposed Tenant Relocation Ordinance

The City staff report dated April 14, 1982 proposes four options. The financial impact of implementing these options are not identified and it is Agency staff's recommendation that a report be prepared within 21 days by staff identifying and quantifying these financial impacts. This recommendation is made because of the possible major impact on the Agency, e.g., the estimated relocation costs for about 1,100 hotel units x \$1,000/tenant - \$1.1 million.

FINANCIAL DATA

A. Relocation Payments	\$ 97,650
B. Technical and Administrative Costs	9,209
C. Other Costs	<u>768</u>
	\$107,627
D. Contingency	<u>2,373</u>
	\$110,000

Funding Source: Tax Increment funds - Project No. 8

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RECOMMENDATION

The staff recommends adoption of the attached resolution approving the Mark Twain Hotel Relocation Plan, authorizing the Executive Director to enter into a relocation agreement, authorizing the payment of up to \$110,000 to cover relocation and other costs associated with the Mark Twain Hotel and requesting the Executive Director to review a staff relocation report dated April 14, 1982 and report back on the financial and other impacts to the Agency.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe

WALTER J. SLIPE
City Manager

Contact Person: Leo T. Goto

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