



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



3

January 22, 1986

Budget & Finance Committee  
of the City of Sacramento  
Sacramento, CA

Honorable Members in Session:

**SUBJECT:** Suggested Position Statement on Potential Gramm-Rudman  
Reductions and Other Proposed Federal Budget Rescissions,  
Deferrals and Cuts Affecting the Sacramento Housing  
and Redevelopment Agency

SUMMARY

The attached report is submitted to you for review and  
recommendation prior to consideration by the Sacramento  
City Council.

RECOMMENDATION

The staff recommends approval of the attached resolution  
authorizing transmittal of letters to Congress.

Respectfully submitted

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COMMITTEE:

*Solon Wisham Jr.*  
\_\_\_\_\_  
SOLON WISHAM, JR.  
Assistant City Manager

TABLE 1

Attachment 3 to  
(letter)

1985 FALS  
(Agency Total)

PROPOSED 1987 REAGAN BUDGET

PROGRAM	National	Agency Total	National	City	County	Agency Total
CDBG (Comm. Dev. Block Grants)	3.472B	1	\$2.625	? <sup>1</sup>	? <sup>1</sup>	5.6 <sup>1</sup>
Section 312 (Housing Rehab.)	147		Ø	Ø	Ø	Ø
Rental Rehab Block Grant (RRBG)	150		Ø	Ø	Ø	Ø
UDAG (Urban Dev. Action Grants)	440		Ø	Ø	Ø	Ø
Section 108 (CDBG) Loans	225		Ø	Ø	Ø	Ø
Public Hsg. Operating Subsidies	1.24B	1	1.21B	- 1.041 <sup>3</sup>	-	1.041
Public Hsg. Modernization (CIAP)	1.725B		Ø	Ø	Ø	Ø
Public Housing Construction	5,000 <sup>6</sup>		Ø	Ø	Ø	Ø
HODAG (Housing Dev. Grants)	315 <sup>8</sup>		Ø	Ø	Ø	Ø
Section 8 - Existing	42,500 <sup>9/10</sup>	1	Ø			
- Vouchers	37,349 <sup>10</sup>	(6.3B) 7	50,000 (2.7B)	+60 <sup>12</sup>		11.0 <sup>7/14</sup>
- Mod. Rehab.	---		Ø			
Section 202 (Nonprofit elderly/hsg.)	11,617 <sup>6</sup>	(600)	Ø	Ø	Ø	N/A
			Agency Grand Total - \$17.641			

General Notes: All figures in millions unless otherwise noted.  
 B = Billions.  
 U/D = Unable to determine based on competitive nature of the grant.  
 N/A = Not applicable.

Footnotes:

<sup>1</sup>Unable to determine estimated 1987 amounts due to proposed rural communities and an as yet unspecified formula adjustment in cities. Estimated total based on additional 15% reduction.

<sup>2</sup>In the past, Section 108 has been used to supplement federal housing production efforts. Although none was planned this year, this resource will be very damaging to our housing efforts in the future.

<sup>3</sup>Combined City/County grant.

<sup>4</sup>Because of our 1985 grant, we were not expecting any further funding in 1986, but had hoped to be able to obtain more in the future.

<sup>5</sup>The Administration's justification for this reduction is that we can use CDBG for this purpose.

<sup>6</sup>Net new units.

D R A F T

January 27, 1986

For Transmittal to Senators Cranston and Wilson, and Congressman Fazio as well.

Congressman Robert T. Matsui  
U.S. House of Representatives  
Washington, D. C. 20515

SUBJECT: Proposed Deferrals and Rescissions of Critical  
1986 Housing and Community Development Programs

Dear Congressman Matsui:

I am writing to communicate our deep distress over the Federal Administration's proposal to defer a substantial amount of the 1986 Community Development Block Grant (CDBG) appropriation, to make additional cuts in the public housing and Section 8 programs, and to rescind funding for several critical supporting programs. These proposals go beyond the present hardships placed on localities as a result of reductions in approved 1986 funding levels and present cuts far in excess of those required by the Gramm-Rudman Amendment. Some additional information on each is outlined below.

CDBG DEFERRAL: The Administration proposal, as we understand it, would defer \$500 million of the \$3.1 billion 1986 CDBG funding authority approved by Congress. (That authorization itself con-

January 27, 1986  
Page Two

tained a ten percent cut from 1985 levels.) The Administration's deferral proposal would add an additional 15 percent cut. Additionally, HUD is proposing withholding another six percent in anticipation of Gramm-Rudman. Given adjustments for population, the net effect of all this is an intolerable 30 percent reduction in CDBG funds over 1985 levels. The Administration's plan to "squeeze" community development programs in an open effort to protect the defense budget prior to the Gramm-Rudman process we believe is unfair, premature and uncalled for. The deferral recommendation is particularly objectionable in that it is based on nothing other than administrative prerogative, anticipating your quick ratification.

We particularly object to the deferral because just last month, following extensive hearings, Congress adopted a budget for the Housing and Urban Development programs. The City Council and Board of Supervisors of Sacramento have deliberated long, hard, and in good faith over our local 1986 CDBG budget and devised a fair budget for the program anticipating the appropriation level approved. Now we must begin our 1986 program year with a grant agreement which is 30 percent less than 1985 levels because the administration feels confident that the additional deferrals and rescissions which it is proposing will be summarily approved by

January 27, 1986  
Page Three

your Congress. Attached is our grant award letter from HUD (along with our response) which administratively reduced our 1986 entitlement by nearly 20 percent more than the reduction we had originally budgeted for (see Attachment 1). We do not believe it fair to have this progress towards a 1986 budget unraveled by hasty action on the part of the administration.

The impact of these actions is serious. The attached impact sheet (Attachment 2) shows the effects of the additional cuts in CDBG proposed by the Administration on local programs. The impact is most devastating to public service programs for "at risk" populations such as the homeless, battered women, and refugees. Please review these impacts carefully.

PUBLIC HOUSING OPERATING SUBSIDIES: The Administration's proposal to freeze operating subsidies at 1986 levels presents a serious departure from the realities of operating and maintaining housing units in today's world. First of all, the 1986 levels are inadequate, as were the 1985, 1984, and immediately previous levels. Each year, we have had to supplement them with significant funds from other sources. When coupled with the proposed move to discontinue the Comprehensive Improvement Assistance Program (on the premise that CDBG funds can be used for this purpose) the proposals are absolutely unrealistic.

January 27, 1986  
Page Four

If the intent of the proposals is to force us into a position where we must contemplate sale of our units, it should be openly stated. A decision of this magnitude, extrapolated to the national level, is very significant. Our public housing stock represents a resource for serving the most needy which cannot be replaced at today's prices. No sales conditions or deed restrictions will ever insure its continued public use in the same way that public ownership does. Please consider these issues carefully when you return to Washington.

SECTION 8/VOUCHERS: Currently, we have lengthy waiting lists for housing assistance eligibility under our Section 8 program. Recently, when we opened the application process, we stopped taking inquiries at 15,000. There are 47,000 low income rental households in Sacramento paying in excess of 30 percent of their income for rent, many substantially in excess. Housing affordability is a serious problem here even despite moderately affordable rental rates vis-a-vis other California locales. The very small increases proposed for the program, when translated to the local level, do not even come within the same universe when measured against the need.

January 27, 1986  
Page Five

The proposal to reduce the program's administrative fees by one-half, to be picked up by local government, is also unfair and will not work. Our local budgets have already been rocked by federal reductions such as in Revenue Sharing, economic development, transportation, and other programs. Please do not allow our ability to adequately administer this important program - verifying rent levels, incomes, and housing quality standards - to be undermined by "penny-wise/pound-foolish" reductions.

SUPPORTING PROGRAMS: In addition to the above cuts and deferrals, we understand that the Administration will seek to rescind 1986 appropriations for the following additional HUD programs which have traditionally supported our community development efforts. These are: the Rental Rehabilitation Block Grant (RRBG) Program, the HUD Section 312 Housing Rehabilitation Loan Program, the Urban Development Action Grant Program (UDAG), the Housing Development Action Grant Program (HoDAG), and the Section 108 Loan Program. All these programs similarly received appropriations in the recently approved HUD budget.

While we are most concerned about the CDBG deferral, these programs are also very important. For example, as you know, over the past several years, the Federal government has not allocated

January 27, 1986  
Page Six

any funds for subsidized housing construction - except for HODAG and a very small amount of public housing construction. Without HODAG subsidies, the 124 units of affordable housing for the frail elderly in downtown Sacramento would not be a project. The \$2 million in HODAG funds will leverage over \$8 million in other public and private funds and close the financial gap to make this project work.

Similarly, within your districts, the state, and across the nation, deteriorating rental housing in poor neighborhoods is becoming a major problem. In Sacramento many financial institutions will not lend on these properties because of their location. Frequently, the low income tenants cannot afford to move. The result is abominable living conditions and neighborhoods which cannot upgrade because there are not financial resources to accomplish the change. The Rental Rehabilitation Block Grant program is a shallow subsidy program (no more than \$5,000 per unit) which has made revitalization of rental properties a financial possibility in severely distressed areas. The Section 312 program has also been used extensively in target areas to fix-up homes of low income owner-occupants. (For the past several years, this program has been funded entirely from loan repayments, requiring no new budget authority. Why cut it???) These



January 27, 1986  
Page Seven

housing improvements coupled with CDBG infrastructure improvements for water, sewer, drainage and streets has begun to "turn around" some neighborhoods by providing jobs in construction and repair, and upgrading the property values and tax base. All these programs work together and all are critical to preserving our older, low income neighborhoods.

REQUESTED ACTION: We understand that Congress will have 45 days following the presentation of the President's proposal in which to develop and sponsor affirmative legislation to counteract these proposals. Without such legislation, we understand the deferrals and rescissions are automatic. We urge you to take all necessary actions to oppose the Administration's proposals. Targeting these important and already grievously reduced domestic programs early on means a potential "double hit" should Gramm-Rudman reductions be triggered. We cannot fight Gramm-Rudman reductions - but we also cannot stand by and be isolated for such arbitrary and unwarranted reductions in programs which have already been seriously reduced, even prior to Gramm-Rudman actions.

We seek your assistance in countering the Administration's action and in formulating legislation to oppose these deferrals and

January 27, 1986  
Page Eight

rescissions. We stand prepared to provide any further supporting documentation or testimony which you might need. Attachment 3 outlines the total impact of the reductions in HUD programs on Sacramento.

Sincerely yours,

ANNE RUDIN  
Mayor

AR:JEM:mlf  
Attachments



U.S. Department of Housing and Urban Development

San Francisco Regional Office, Region IX  
450 Golden Gate Avenue  
San Francisco, California 94102-3448

ATTACHMENT 1

Honorable Anne Rudin  
Mayor  
City of Sacramento  
915 "I" Street  
Sacramento, CA 95814

JAN 02 1986

Dear Mayor Rudin:

SUBJECT: Grant Award  
Community Development Block Grant Program  
Program Number B-86-MC-06-0003  
City of Sacramento

RECEIVED  
MAYOR/  
CITY COUNCIL OFFICE  
CITY OF SACRAMENTO  
JAN 8 1 03 PM '86

I am pleased to transmit to you the Fiscal Year 1986 Community Development Block Grant (CDBG) Entitlement Grant for the City of Sacramento in the amount of \$2,925,000. The program year for your community begins on January 1, 1986.

The amount of the grant being awarded at this time varies substantially from the amount in your final statement for the following reasons:

1. As a result of efforts to reduce the budget deficit, \$500 million of the FY 1986 appropriation for the CDBG program has been deferred to FY 1987, thereby reducing the amount available for distribution this year.
2. Six percent of your grant is being withheld to cover the future contingency of a sequestration order to be issued by the President under the Balanced Budget and Deficit Control Act of 1985 (Gramm-Rudman-Hollings).
3. 1984 population estimates are being used in the formula for distributing CDBG funds rather than the 1982 estimates used last year.
4. The number of entitlement grantees has increased since last year and two new metropolitan statistical areas have been designated.

In adjusting your 1986 CDBG program to this lower grant amount, you should review the procedural requirements at 24 CFR 570.301(b) as modified by paragraph XI on page 12 of the 1985 Grantee Instructions to determine if it is necessary to amend your final statement.

Enclosed is the Grant Agreement and Funding Approval (HUD-7082) (three copies), which constitutes the contract between the Department of Housing and Urban Development and the City. You should note particularly any special conditions included in Item 13 of the Funding Approval.

Your final statement includes funds for the planning or construction of water or sewer facilities which are subject to review under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52 (see the June 24, 1983 FEDERAL REGISTER, pages 29206-29221). The Grant Agreement and Funding approval includes a special condition which restricts the obligation or expenditure of funds for the planning or construction of water or sewer facilities until receipt of written release of funds from HUD. You will receive a separate notification regarding the release of funds for such activities. Note that the special condition also applies to water or sewer activities not previously submitted for E. O. 12372 review that you may add through an amendment or other revision to your final statement.

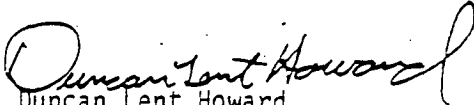
In order to amend your Letter of Credit to reflect the Fiscal Year 1986 grant, it will be necessary for you to execute all copies of the Grant Agreement and return two copies to: DHUD, Attention: Geraldine W. Franklin, Program Manager, Team A.

Upon receipt of the executed Grant Agreement (two copies) and other forms required to amend your Letter of Credit, HUD will transmit to you a copy of the Letter of Credit, which will reflect your FY 1986 grant amount and indicate when drawdowns may commence.

You are reminded that certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures for Community Development Block Grant Program). Funds for such activities may not be obligated or expended unless the release of funds has been approved in writing by HUD. A request for the release of funds must be accompanied by an environmental certification. Appropriate forms are enclosed. You are also reminded that your Grantee Performance Report for the 1985 program year is due in this office no later than March 1, 1986.

If you have any questions or desire assistance in connection with this letter or other items related to the CDBG program, please contact Rosemary Bacy of this office at (415) 556-8214.

Sincerely,

  
Duncan Lent Howard  
Regional Administrator/  
Regional Housing Commissioner

Enclosure

cc:  
Ms. Trish Davey  
Sacramento Housing and  
Redevelopment Agency



U.S. Department of Housing and Urban Development  
San Francisco Regional Office, Region IX  
450 Golden Gate Avenue  
San Francisco, California 94102-3448

Honorable Bill Bryan  
Chairman  
Sacramento County Board of  
Supervisors  
700 "H" Street  
Sacramento, CA 95814

JAN 02 1986

Dear Mr. Bryan:

SUBJECT: Grant Award  
Community Development Block Grant Program  
Program Number B-86-UC-06-0005  
County of Sacramento

I am pleased to transmit to you the Fiscal Year 1986 Community Development Block Grant (CDBG) Entitlement Grant for the County of Sacramento in the amount of \$3,685,000. The program year for your community begins on January 1, 1986.

The amount of the grant being awarded at this time varies substantially from the amount in your final statement for the following reasons:

1. As a result of efforts to reduce the budget deficit, \$500 million of the FY 1986 appropriation for the CDBG program has been deferred to FY 1987, thereby reducing the amount available for distribution this year.
2. Six percent of your grant is being withheld to cover the future contingency of a sequestration order to be issued by the President under the Balanced Budget and Deficit Control Act of 1985 (Gramm-Rudman-Hollings).
3. 1984 population estimates are being used in the formula for distributing CDBG funds rather than the 1982 estimates used last year.
4. The number of entitlement grantees has increased since last year and two new metropolitan statistical areas have been designated.

In adjusting your 1986 CDBG program to this lower grant amount, you should review the procedural requirements at 24 CFR 570.301(b) as modified by paragraph XI on page 12 of the 1985 Grantee Instructions to determine if it is necessary to amend your final statement.

Enclosed is the Grant Agreement and Funding Approval (HUD-7082) (three copies), which constitutes the contract between the Department of Housing and Urban Development and the County. You should note particularly any special conditions included in Item 13 of the Funding Approval.

The Special Condition in your Grant Agreement and Funding Approval concerning the review procedures under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs and HUD's implementing regulations at 24 CFR Part 52 (See the June 24, 1983 FEDERAL REGISTER, pages 29206-29221), restricts the obligation or expenditure of funds for the planning or construction of water or sewer facilities until the completion of the review process and receipt of written release of funds from HUD. Since you have not submitted your final statement for review under E.O. 12372, we assume you do not propose to use funds for activities subject to review. However, the condition requires that in the event you amend or otherwise revise your final statement to use funds for the planning or construction of water or sewer facilities, you must receive written release of funds from HUD before obligating or expending funds for such activities.

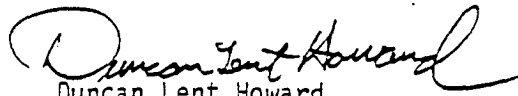
In order to amend your Letter of Credit to reflect the Fiscal Year 1986 grant, it will be necessary for you to execute all copies of the Grant Agreement and return two copies to: DHUD, Attention: Geraldine W. Franklin, Program Manager, Team A.

Upon receipt of the executed Grant Agreement (two copies) and other forms required to amend your Letter of Credit, HUD will transmit to you a copy of the Letter of Credit, which will reflect your FY 1986 grant amount and indicate when drawdowns may commence.

You are reminded that certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures for Community Development Block Grant Program). Funds for such activities may not be obligated or expended unless the release of funds has been approved in writing by HUD. A request for the release of funds must be accompanied by an environmental certification. Appropriate forms are enclosed. You are also reminded that your Grantee Performance Report for the 1985 program year is due in this office no later than March 1, 1986.

If you have any questions or desire assistance in connection with this letter or other items related to the CDBG program, please contact Rosemary Bacy of this office at (415) 556-8214.

Sincerely,

  
Duncan Lent Howard  
Regional Administrator/  
Regional Housing Commissioner

Enclosure

cc:  
Ms. Trish Davey  
Sacramento Housing and  
Redevelopment Agency



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



January 8, 1986

Duncan Lent Howard  
Regional Administrator, Region IX  
San Francisco Area Office  
U.S. Department of Housing  
and Urban Development  
450 Golden Gate Avenue  
San Francisco, CA 94102-3448

SUBJECT: Grant Award - CDBG B-86-MC-06-0003 City of Sacramento  
CDBG B-86-UC-06-0005 County of Sacramento

Dear Mr. Howard:

Transmitted herewith are two (2) copies of each the City of Sacramento and County of Sacramento's 1986 CDBG Grant Agreements. These documents were executed under protest. We consider the withholding of grant funds, contrary to Congressionally authorized appropriation levels, to be an arbitrary and unsanctioned administrative action. We are further unaware of any Congressional or presidential authorization for HUD to undertake such an action.

I believe we share a concern for sound budgeting principals, however, neither the President's budget, the much talked about deferrals, or Gramm-Rudman reductions have yet taken effect. I can appreciate HUD's position in this changing budget climate; however, the bulk of these cuts, those embodied in the potential deferral, have not even been officially proposed.

We are therefore, requesting an explanation of the legal authority under which HUD is taking this action. Absent such authority we are requesting release of our full grant amounts under the Congressional budget.

On a more positive note, please extend our appreciation to Gordon McKay and Rosemary Bacy for their timely processing of our grant agreement. We very much appreciate these efforts of your office.

(18)

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Duncan Lent Howard  
Regional Administrator, Region IX  
U.S. Department of Housing  
and Urban Development  
January 8, 1986  
Page Two

Please do not hesitate to call me or Trish Davey of my staff  
(916) 440-1322 should you have questions. We look forward to  
your response to our request.

Sincerely,

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director

WHE: jr



## IMPACT ASSESSMENT NARRATIVE

COMMUNITY DEVELOPMENT  
PROGRAM AREACITY OF SACRAMENTO  
CDBG PROGRAMCOUNTY OF SACRAMENTO  
CDBG PROGRAMI. PUBLIC SERVICES TO  
LOW INCOME PERSONS

The Public Services category of eligibility is limited to 15% of the annual grant per HUD regulations. Therefore, this essential category of activities will bear the full effects of a 30% reduction in grant revenues. The City and County of Sacramento have already substantially cut public services programs by 15% below the 1985 level in order to meet the Congressional budget. An additional 15% would therefore, need to be cut potentially rendering some program inoperable. Please also note that these are operating program involving non-profit staffs for which reductions result in a direct loss of service.

The 1985 public service allocated was \$622,500. Should the full 30% cut be realized the 1986 budget could only support \$435,750. The impacts are as follows:

- A. Workrecreation Program: This program provides summer jobs for disadvantaged teenagers ages 14-16 from targeted area of high unemployment. This program would sustain the greatest cuts in order to preserve public service funds for homeless programs. Jobs for 70 youth are involved.
- B. Tuancy Patrol: This program has already been terminated as a result of the Congressional budget cut. The program assisted in reducing daytime burglaries by 8.6% in the CDBG target areas.

The 1985 public service allocation for the County was \$784,800. Should the full 30% cut be realized the 1986 public service budget could support only \$549,360.

The impacts are as follows and are based on all programs sharing equally in an across the board 30% cut.

- A. Women Escaping a Violent Environment  
CDBG funds are used to support the operation of a second battered women's shelter. The second shelter would be faced with closure should the full cut be sustained denying shelter to over 60 battered women. All other funds would be diverted to sustaining the primary shelter facility
- B. South Area Emergency Housing Center (SAEHC)  
This program housed over 620 homeless families in 1985. The program operator has indicated that a 30% cut would render the program inoperable. All other sources of funds such FEMA and CSBG are currently utilized to the maximum.

IMPACT ASSESSMENT NARRATIVE

COMMUNITY DEVELOPMENT  
PROGRAM AREA

CITY OF SACRAMENTO  
CDBG PROGRAM

COUNTY OF SACRAMENTO  
CDBG PROGRAM

C. Homeless Programs: Homeless programs account for \$260,000 of the public services budget and provided for the operation of emergency shelter for single persons (80 beds) and mentally ill homeless. Future and deeper cuts would threaten these essential services which have no alternative funding source.

C. Refugee Training: This program provided survival skills and advocacy training to over to over 835 refugee households in 1985. This program, currently budgeted at \$80,000, would face possible termination due to the very minimal staff and budget under which it currently operates.

D. Human Rights/Fair Housing Programs: The cuts would most probably result in termination of the Human Rights (job and public service discrimination) aspect of this program in order to target remaining funds on the HUD mandated Fair Housing program.

II. HOUSING PROGRAMS

These program provide direct financial assistance to low income persons who cannot afford a bank loan or to whom the banks will not lend. There is an ever increasing demand and need in this area with termination of the majority of other Federal housing programs.

The 1985 budget for this program area was \$1,620,000. Should the full 30% cut be realized the budget would be \$1,134,000. The impacts are as follows:

1. Housing Rehabilitation: Inability to fund 50 housing rehab cases and possible layoff of 30% of the staff (6 positions). This would also disrupt the current pipeline of rehab cases in process.

The 1985 budget for this program area was \$2,218,000. Should the full 30% cut be realized the budget would be \$1,552,600. The impacts are as follows:

1. Housing Rehabilitation: Inability to fund 72 housing rehabilitation cases and possible layoff of 30% of the staff (6 positions). This would also disrupt the current pipeline of rehab cases in process.

IMPACT ASSESSMENT NARRATIVE

COMMUNITY DEVELOPMENT  
PROGRAM AREA

CITY OF SACRAMENTO  
CDBG PROGRAM

COUNTY OF SACRAMENTO  
CDBG PROGRAM

2. Emergency Repair Grants:  
Inability to fund approximately  
75 emergency repairs to low  
income householders.

2. Emergency Repair Grants: Inability to fund  
approximately 50 emergency repairs to low-income  
householders.
3. Housing Production Debt Repayments: The  
fixed costs of these section 108 debts incurred  
to produce low income public housing amount to  
\$600,000 of our housing budget. These cannot  
be cut. Therefore, other housing programs will  
bear a greater share of the cuts.

III. ECONOMIC DEVELOPMENT

This program provides technical assistance and low interest loans to distressed commercial strips such as Stockton Blvd., Del Paso Blvd., Main Street, Iselton, etc. Funds are targeted to projects which remove blight and create local jobs.

The program has been budgeted at a survival level of \$350,000. Further cuts in this area seriously threaten any meaningful economic development at a time when urban areas are in the greatest need.

This program has been budgeted at a survival level of \$300,000. Further cuts in this area seriously threaten any meaningful economic development at a time when urban areas are in the greatest need.

IMPACT ASSESSMENT NARRATIVE

COMMUNITY DEVELOPMENT  
PROGRAM AREA

CITY OF SACRAMENTO  
CDBG PROGRAM

COUNTY OF SACRAMENTO  
CDBG PROGRAM

IV. CAPITAL IMPROVEMENTS

This program provides essential health and safety infrastructure improvements to the CDBG target areas, (waterlines, sewer, roads, etc.).

The 1985 budget for this program was \$1,388,000. Should the full 30% cut be realized the 1986 budget for these programs would be \$971,600. Total revamping of planned capital projects would have to occur resulting in lost time and design funds. The City may further have to consider deleting one or more of the five target areas (Del Paso Heights, East Del Paso Heights, Oak Park, Gardenland and Woodbine) in order to maintain sufficient funding for meaningful program in the remaining areas.

The 1985 budget for this program was \$1,368,800. Should the full 30% cut be realized the 1986 budget for these program would be \$958,160. Total revamping of planned capital projects would have to occur resulting in lost time and design funds. The County may further, have to consider deleting one or more of the five target areas (Old Citrus Heights, North Highlands, Rio Linda, South Sacramento, the Delta) in order to maintain sufficient funding for a meaningful program in program in the remaining areas. The Agreement Cities of Isleton, Galt and Folsom may also be effected.