

RESOLUTION NO. 99-009

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF DEC 7 1999

**BUDGET FOR SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY FOR 2000**

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

Section 1. The 2000 Operating Budget totaling \$90,287,289 and the 2000 Project Budget totaling \$38,409,021, all as further described in the "2000 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 for the 2000 fiscal year, incorporating the budgets of the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Housing Authority of the City of Sacramento and the Housing Authority of the County of Sacramento and contingent upon their respective approvals.

Section 2. A total of 315.82 SHRA positions (reflecting a decrease of 0.72 positions from the 1999 Agency Budget), are approved subject to classification review by the Executive Director.

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 2000 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 2000 Agency Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.

Section 5. The proposed expenditures under the 2000 Housing Operating Budgets are necessary in the efficient and economical operation of Agency housing to serve low-income families.

Section 6. The housing financial plan set forth in the 2000 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 2000 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. If such grants are awarded, the Executive Director is authorized to accept the grant or grants, execute all related documents and amend the budget accordingly. The Executive Director is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. 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 for Agency properties and is authorized to purchase insurance for the Agency and enter into agreements with risk retention pools or other similar organizations, provided that insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the approved budget.

Section 10. Subject to availability under the 2000 Agency Budget of any required Agency funds, 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 11. The \$900,000 funding gap between federal sources and operating costs for low-income rental housing units located within the City shall be funded by tax increment funds from the Merged Downtown Redevelopment Project Area. The expenditure of tax increment funds for such housing, in the manner specified, will improve and increase the stock of affordable housing in the community and will benefit the redevelopment area in that the housing so provided is in or adjacent to the redevelopment project area and provides housing for low-income families working or residing in the project area, which housing is currently inadequate to serve the redevelopment project area.

Section 12. The expenditure of tax increment funds for activities benefiting the homeless will benefit the Merged Downtown Redevelopment Project Area in that it will provide housing for a homeless population which remains in or frequents the Merged Downtown 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 Redevelopment Project Area.

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Section 13. The Executive Director is authorized to submit to HUD the one year action plan for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for People With AIDS (HOPWA). If such grants are awarded, the Executive Director is authorized to accept the grant or grants, execute all related documents and amend the budget accordingly. The Executive Director is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. The Executive Director is authorized to amend the contingency fund in the event that the actual entitlement exceeds, or is less than, that estimated in the budget.

Section 14. The Executive Director is authorized to submit grant applications for any and all activities within the jurisdiction of the Agency. If such grants are awarded, the Executive Director is authorized to accept the grant or grants (provided that the activities are fully funded by the grant or within the Agency Budget), execute all related documents and amend the budget. The Executive Director is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such budget expenditure amendments are permitted for positions, services and supplies, equipment and projects; and include but are not limited to the following:

HUD Drug Elimination Grants	\$300,000
HUD Service Coordinator Grant	\$200,000
HUD Youthbuild	\$650,000

Section 15. 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 designated recipient or contracting Agency. The Executive Director is authorized to accept such grants and to transfer program responsibility to the County pursuant to governing board approvals, subject to County acceptance of such transfer.

Section 16. During 1999, tax increment funds from the Merged Downtown Redevelopment Project Area have contributed to programs and activities of other areas and departments which benefit the Downtown Project Area. Subject to the limitations of the funding sources, the Executive Director is authorized to reimburse the Merged Downtown Project Area for funds advanced to other programs as monies become available from the close of the 1999 fiscal year.

Section 17. On an annual basis, HUD requires the Agency to conduct a physical inventory, analyze receivables for collectability and accordingly, reconcile and adjust related financial records; the Executive Director is authorized to amend the budget and financial records as needed for such adjustments.

Section 18. The Executive Director is authorized to make transfers of fund balances to accommodate reserve requirements. The Executive Director may allocate and transfer any available fund balances to accounts held for future projects or 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 19. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved budget.

Section 20. The Executive Director is authorized to amend the Agency Budget to appropriate for expenditure all revenues received in Agency revolving funds.

Section 21. The Executive Director is authorized to increase or decrease operating budget appropriations up to \$100,000 per transaction. Operating budget appropriation increases and decreases in excess of \$100,000 per transaction must be approved by the appropriate governing board.

Section 22. The Executive Director is authorized to transfer appropriations up to \$100,000 per transaction in operating budgets and contingency reserves.

Section 23. All project appropriations in existence as of December 31, 1999 will be carried over and continued in 2000.

Section 24. All multi-year operating grant budgets in existence as of December 31, 1999 shall be continued in 2000.

Section 25. The Executive Director is authorized to increase or decrease project budget appropriations by not more than \$50,000 for each project or activity.

Section 26. The Executive Director is authorized to transfer project appropriations among fund groups (such as among funds within a redevelopment project area).

Section 27. All encumbrances for valid purchase orders and contracts in effect as of December 31, 1999 may remain in effect in 2000. The Executive Director is authorized to increase the Agency Budget for valid encumbrances as of December 31, 1999, but only to the extent that the applicable division's 1999 operating budget appropriations exceeded 1999 expenditures.

Section 28. The Executive Director is authorized to amend the Agency Budget to reflect all required debt service payments.

Section 29. The Executive Director is authorized to transfer funding of approved capital projects within the respective project area funds in compliance with bond covenants, tax laws and applicable redevelopment laws and regulations.

Section 30. The Executive Director is authorized to execute internal administrative loans and reconcile available revenues as needed for redevelopment purposes to assure receipt of anticipated redevelopment area tax increment revenues.

Section 31. The Executive Director is authorized to implement internal loans between Agency managed funds as reflected in the Agency Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations.

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Section 32. The Executive Director is authorized to exercise default remedies and take other actions to protect Agency assets under contracts, loans, disposition and development agreements, owner participation agreements, and other Agency agreements and to appropriate the associated revenues in the Agency Budget. The Executive Director is authorized to enter into "loan work outs", to the extent reasonably necessary to protect Agency assets, and in entering such "work outs", the Executive Director is authorized to rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property).


Section 33. The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 2000 Budget.

Section 34. This resolution shall take effect immediately.



ACTING CHAIR

ATTEST:



SECRETARY

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EXHIBIT A

**SUMMARY OF CHANGES TO SACRAMENTO HOUSING
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Proposed 2000 Total Operating Budget	\$ 90,287,289
Decrease Army Depot Debt Service	\$ (188,000)
Increase Army Depot Financial Transactions	\$ 20,228
Increase Richards Boulevard Debt Service	\$ 195,854
Increase Downtown Debt Service	\$ 847,470
Revised Proposed 2000 Total Operating Budget	<u>\$ 91,162,841</u>
Proposed 2000 New Projects	\$ 38,409,021
Increase Army Depot Housing Developer Assistance	\$ 187,772
Delete Richards Boulevard Developer Assistance	\$ (160,712)
Delete Richards Boulevard L/M Developer Assistance	\$ (35,142)
Add Self Insurance Loan to Army Depot	\$ 140,000
Add Riverview Plaza Fire Alarm Panel Replacement	\$ 50,000
Revised Proposed 2000 New Projects	<u>\$ 38,590,939</u>
REVISED TOTAL AGENCY BUDGET	<u>\$ 129,753,780</u>
Proposed 2000 Revenues	\$ 124,000,756
Increase City Conventional Revenue	\$ 347,470
Increase Army Depot Revenue	\$ 20,000
Revised Proposed 2000 Revenues	<u>\$ 124,368,226</u>
Proposed Transfers In/Out	\$ 14,292,938
Decrease Downtown L/M to City Conventional	\$ (347,470)
Revised Proposed Transfers In/Out	<u>\$ 13,945,468</u>
Proposed Defundings	\$ 5,466,676
Increase Downtown Developer Assistance	\$ 590,000
Decrease Convention Hotel	\$ (90,000)
Add Riverview Plaza Replacement Services	\$ 50,000
Revised Proposed Defundings	<u>\$ 6,016,676</u>

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