

RESOLUTION NO. 97-007

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF NOV 25 1997

BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY FOR 1998

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

Section 1. The 1998 Operating Budget totaling \$86,290,006 and the 1998 Project Budget totaling \$38,832,378, all as further described in the "1998 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 1998 fiscal year.

Section 2. A total of 328.67 SHRA positions, a decrease of 21.0 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 1998 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 programs and projects.

Section 5. The proposed expenditures under the 1998 Housing Operating Budgets are necessary in the efficient and economical operation of Agency housing to serve low-income families.

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RESOLUTION NO.: 97-007
DATE ADOPTED: NOV 25 1997

Section 6. The housing financial plan set forth in the 1998 Housing Operating Budgets is reasonable in that:

- 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 1998 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 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 \$1,131,018 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, benefits the redevelopment area in that the housing so provided is in or adjacent to the redevelopment area and provides housing for low-income families, which housing stock is currently inadequate in the redevelopment area.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 97-007

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Section 12. The expenditure of tax increment funds for homeless activities will benefit the Merged Downtown Redevelopment Project Area because 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.

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). 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 14. 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 or within the Agency Budget. Such budget expenditure amendments are permitted for positions, services and supplies, equipment and projects; and include but are not limited to the following:

Hope VI 14th Avenue Grant	\$ 50,000
HUD Drug Elimination Grants	\$ 855,600
Resident Uplift & Economic Development Grant	\$ 600,000
Economic Development & Support Services Grants	\$2,000,000

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 awarded or contracting Agency. The Executive Director is authorized to accept grants and to transfer program responsibility to the County pursuant to governing board approvals.

Section 16. During 1997, 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 1997 fiscal year.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 97-007
DATE ADOPTED: NOV 25 1997

Section 17. 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 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.

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, 1997 will be carried over and continued in 1998.

Section 24. The Executive Director is authorized to increase or decrease project budget appropriations up to \$50,000 per transaction. Project budget appropriation increases and decreases in excess of \$50,000 per transaction must be approved by the appropriate governing board.

Section 25. The Executive Director is authorized to transfer project appropriations among fund groups (such as among funds within a redevelopment project area).

Section 26. All encumbrances for valid purchase orders and contracts in effect as of December 31, 1997 will remain in effect in 1998. The Executive Director is authorized to increase the Agency Budget for valid encumbrances as of December 31, 1997, but only to the

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RESOLUTION NO.: 97-007
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extent that the applicable division's 1997 operating budget appropriations exceeded 1997 expenditures.

Section 27. The Executive Director is authorized to amend the Agency Budget to reflect all required debt service payments.

Section 28. 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 29. 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.

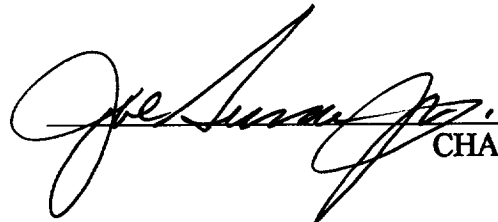
Section 30. The Executive Director is authorized to implement internal loans between Agency managed funds as reflected in the Agency Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations.

Section 31. The existing loan from the City of Sacramento to the Richards Boulevard Redevelopment Area is authorized to be amended to reflect payments as indicated in the Agency Budget.

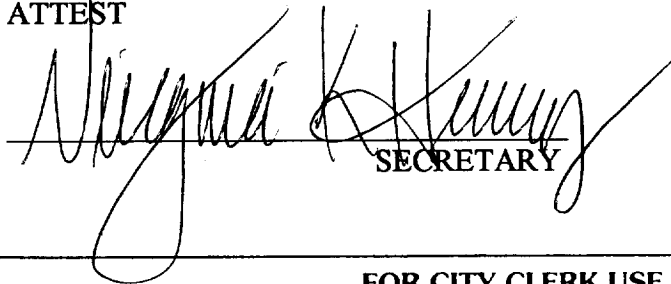
Section 32. The Executive Director is authorized to exercise default remedies and take other actions to protect Agency assets under contracts, loans, disposition and development agreements, owner participation agreements, and other Agency agreements and to appropriate the associated revenues in the Agency Budget.

Section 33. The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 1998 Budget.

Section 34. This resolution shall take effect immediately.


CHAIR

ATTEST


SECRETARY

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