REPORT TO HOUSING AUTHORITY, CITY COUNCIL, AND CITY COUNCIL AS REDEVELOPMENT AGENCY SUCESSOR AGENCY

City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Public Hearing
November 8, 2012

Honorable Mayor and Members of the City Council
Chair and Members of the Housing Authority Boards

Title: 2013 Sacramento Housing and Redvelopment Agency Proposed Budget

Location/Council District: Citywide

Recommendation: Conduct a public hearing and upon conclusion adopt: 1) a **Council Resolution** a) approving the 2013 Proposed Budget for the Sacramento Housing and Redevelopment Agency (Agency), b) delegating authority to administer certain federal funds and authorizing the Agency to: i) submit the Comprehensive Plan to United States Department of Housing and Urban Development (HUD); ii) submit to HUD the One-Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG), American Dream Down Payment Initiative (ADDI), and Housing Opportunities for People with AIDS (HOPWA) programs; iii) submit grant applications for activities within the jurisdiction of the Agency; and iv) enter into contracts, make fund transfers, transfer project appropriations, amend the Agency budget in accordance with the limitations of the Resolution, and undertake other actions necessary to implement the aforementioned; and c) consenting to the Agency's submittal of the annual housing operating budgets and application for Capital Fund Plan funding to HUD. 2) a **Housing Authority Resolution (Authority)** a) approving the 2013 proposed budget for the Housing Authority of the City of Sacramento; and b) delegating authority to administer certain federal funds and authorizing the Housing Authority to: i) submit the Comprehensive Plan to United States Department of Housing and Urban Development (HUD); ii) submit to HUD the One-Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG), American Dream Down Payment Initiative (ADDI), and Housing Opportunities for People with AIDS (HOPWA) programs; iii) submit grant applications for activities within the jurisdiction of the Agency; c) authorizing the Executive Director to: (i) submit the annual housing operating budgets to HUD; (ii) submit application to HUD for Capital Fund Plan funding; (iii) submit the Comprehensive Plan to HUD; (iv) submit grant applications for activities within the jurisdiction of the Authority; and (v) enter into contracts, make fund transfers, transfer project appropriations, amend the Agency

budget in accordance with the limitations of the resolution, and undertake other actions necessary to implement the aforementioned. 3) a **City of Sacramento as Redevelopment Agency Successor Agency Resolution (RASA)** a) consenting to the adoption of the Agency Budget, b) authorizing RASA to enter into agreements with the Agency, make fund transfers, transfer project appropriations and to take other fiscal actions which may be necessary to undertake the effective administration and wind down of the former redevelopment agency in compliance with state law as outlined in the attached resolution, and c) making other related findings.

Contact: Don Cavier, Finance Director, 440 1325, LaShelle Dozier, Executive Director, 440-1319

Presenters: LaShelle Dozier, Executive Director, Donald Cavier, Director of Finance

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The annual budget of the Sacramento Housing and Redevelopment Agency (Agency) incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento and the administration of specific funds on behalf of the City and County of Sacramento. As of February 1, 2012 the fiscal administration of the former Redevelopment Agency of the City and the former Redevelopment Agency of the County were assumed within the management structure of the City and County which elected to administer the affairs of the successor agencies. The budgets of the former redevelopment agencies (Redevelopment Successor Agency) are no longer incorporated within the Agency Budget. The proposed 2013 Budget provides a plan by which the Agency operates in an efficient manner and in compliance with the regulatory requirements of our funding sources and the Government Accounting Standards Board. The Agency's budget and fiscal year is the calendar year from January 1st through December 31st.

The Agency proposes a balanced budget in the amount of $169.6 million representing the operational activities and projects for 2013. The 2013 proposed budget represents a $66.3 million or 28 percent decrease in net appropriations compared with the prior year. This substantial change in annual budget appropriations is the direct result of the elimination of redevelopment by the State of California and substantial cuts to federal programs absorbed on 2012. Neither the City nor the County provides any General Funds in support of the Agency's budget.

Calendar Year 2013 Proposed Budget ($$$ In Millions)

	2012 Budget	2013 Budget	Variance (2012 to 2013)	
OPERATIONS				
Salaries and Benefits	23.3	19.9	(3.3)	-14%
Services and Supplies	15.6	14.7	(0.9)	-6%
Housing Assistance Payments	101.9	107.2	5.3	5%
Debt Service	42.4	3.1	(39.3)	-93%
Financial Transactions	31.1	0.9	(30.2)	-97%
Public Services	3.6	5.1	1.6	44%
Sub-Total	$217.9	$151.0	($66.9)	-31%
CAPITAL PROJECTS				
Housing Development and Preservation	10.1	10.7	0.6	6%
Housing Authority Capital Projects	2.1	2.3	0.2	9%
Commercial	1.5	0.3	(1.1)	-76%
Infrastructure and Public Improvements	4.4	5.3	0.9	21%
Sub-Total	$18.0	$18.6	$0.6	3%
TOTAL	**$235.9**	**$169.6**	**($66.3)**	**-28%**

Much like the rest of the nation, the current recession has hit the Sacramento region hard and prospects for a quick turnaround remain unlikely. The local economy continues to suffer from a slow housing market, high rate of foreclosure filings, notable vacancy rates among the commercial sector and an unemployment rate that is hovering around 10.4 percent.

Locally, the elimination of redevelopment has resulted in the loss of approximately $54 million annually for the elimination of blight and community development in the Sacramento region. Assembly Bill x1 26, enacted on June 29, 2011 for the express purpose of eliminating California redevelopment agencies, was upheld by the California Supreme Court on December 29, 2011. Accordingly, as of February 1, 2012, all redevelopment agencies in California, including the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento, ceased to exist and successor agencies were put in place to wind down the affairs of the former redevelopment agencies.

The City and County of Sacramento have elected to serve as the successor agencies for purposes of winding down the affairs of the former redevelopment agencies. Similarly, the Housing Authority of the City of Sacramento was designated as the local authority to retain the housing assets and housing functions of the former Redevelopment Agency of the City of Sacramento and

the Housing Authority of the County of Sacramento was designated as the local authority to retain the housing assets and housing functions of the former Redevelopment Agency of the County of Sacramento for purposes of administering the completion of the remaining housing obligations.

All future tax increment revenues of the former redevelopment agencies are now received directly by the City or County of Sacramento as Successor Agencies in order to retire enforceable obligations including payments on bonds, Development and Disposition Agreement, Owner Participation Agreements and other redevelopment debt.

Cuts to federal programs continued in 2012 resulting in significant reductions to CDBG, HOME, Public Housing Capital Funds and administrative funding for the Housing Choice Voucher program reducing the Agency's capacity to fund housing projects, public services, and infrastructure projects in the local community.

The emphasis on reduced spending for "discretionary" programs, which began in 2011 and continued in 2012, leaves a high level of uncertainty for 2013. The proposed budget for 2013 was developed based upon the multiple proposals put forth by the President and the various committees within Congress. Based upon that information, federal funding for 2013 would be relatively status quo compared with 2012; however, the approach of the "fiscal cliff' at the end of 2012 and the potential for across the board cuts of 8.2 percent as result of the automatic cuts ("sequestration") that apply under current law to the 2013 federal budget offer little in the way of certainty. In light of this situation, we have elected to move forward with the operational cuts necessary to address the elimination of redevelopment and the reduction of federal funding in 2012, but have estimated 2013 federal funding consistent with the reduced levels received in 2012.

This course of action is recommended because, without greater clarity as to the outcome of Congress' debate on automatic cuts to discretionary programs, staff does not want to implement the extent of cuts that might be required under current law at this time. Because the swings that could be experienced in federal funding are so wide, the 2013 Proposed Budget may require amendment in the first or second quarter of next year.

City & County Federal Funding (In Millions)					
Funding Source	**2010**	**2011**	**2012**	**2013 Est.**	**Percent Chg Since 2010**
CDBG	$ 12.57	$ 10.47	$ 8.69	$ 8.69	-31%
HOME	$ 6.98	$ 6.16	$ 3.78	$ 3.78	-46%
PHA OPERATING FUND	$ 9.36	$ 10.26	$ 9.94	$ 9.94	6%
PHA CAPITAL FUND	$ 5.48	$ 4.32	$ 4.23	$ 4.23	-23%
HCV ADMINISTRATIVE FEES	$ 9.32	$ 8.90	$ 8.50	$ 8.50	-9%

Policy Considerations: The actions recommended in this report are consistent with adopted Consolidated Plan goals, the annual Housing Operating Budget, the Capital Fund Plan, and adopted Agency policies.

For the Housing Authorities of the City and County, serving as Housing Successor to the former redevelopment agencies, the 2013 Proposed Budget contains provisions for rental assistance obligations of the former redevelopment agency previously funded from low and moderate tax increment revenues. These obligations have been reported on the Recognized Obligation Payment Schedule of the City Successor Agency and reviewed by the California Department of Finance without issue. However, obligations reported on the ROPS are subject to challenge every six months. If for any reason, the State later determines that these activities are not enforceable obligations the Housing Authority will have no ability to continue to fund these activities.

Economic Impacts: *Not applicable*

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action to adopt the Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b)(4). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15301.
All other actions are associated with the adoption of the 2013 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Sustainability Considerations: N/A

Other: The proposed actions to adopt the Budget are considered administrative and management activities, and are exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). All other actions are associated with the adoption of the 2013 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any choice limiting action(s) being carried out with regard to such projects.

Commission Action: At its meeting on October 17, 2012, the Sacramento Housing and Redevelopment Commission considered this item. The votes were as follows:

AYES: Alcalay, Chan, Griffin, LeDuc, Morgan, Morton, Shah, Stivers

NOES: none

ABSENT: Gore, Johnson, Rosa

Rationale for Recommendation: The proposed budget provides a fiscal strategy for operations and capital projects during 2013. The budget is in balance and complies with applicable federal, state, and local regulations on the use of the funds.

Financial Considerations: The Agency's 2013 proposed budget of $169.6 million includes $107.2 million for housing assistance payments, $19.9 million for salary and benefits, $18.6 million in capital project funds, $14.7 million for services and supplies, $5.1 million in public service programs, $3.2 million in debt service payments, $0.9 million in financial transactions.

Over the past several years the Agency has worked to restructure and re-engineer the organization, which required an analysis of span of control (number of employees reporting to management), process improvements, adjusting service level expectations and implementation of initiatives that streamline and consolidate services and functions. Many of these initiatives have been implemented and have resulted in a much more cost effective and efficient organization. However, the loss of redevelopment tax increment in 2012 and the impact of federal funding cuts necessitated significant staffing reductions to absorb the impact of these sudden funding shortfalls.

The 2013 budget proposes that authorized full time equivalent positions (FTE) be maintained at 253, but recommends that 38.8 be left unfunded for the 2013 budget. Reductions were achieved through the unfunding of vacant positions, employee layoffs and position reclassification and downgrades.

The Agency further proposes to implement three additional closure days during 2013 in conjunction with the Agency's year-end closure schedule and to make additional cuts to services and supplies for added operational savings.

The estimated savings associated with these measures is a $4.2 million reduction in operational costs. The proposed cuts represent a 14 percent reduction in salaries and benefits and a 6 percent reduction in services and supplies compared with 2012. Since 2011, the Agency has cumulatively reduced the salaries and benefit costs of the Agency

by over $6.8 million or 25 percent and services and supplies by $1.5 million or 9 percent in response to the State's elimination of redevelopment and the cuts to federal programs.

These proposed actions represent the changes needed to reduce operational costs, modify span of control, and position Agency departments to better deliver projects and programs in 2013. As more information becomes available regarding the impact of the federal budget on Agency programs, the Agency will implement additional measures as needed to meet the new challenges.

M/WBE Considerations: The action proposed in this report has no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by: _____
LA SHELLE DOZIER
Executive Director

Approved as to form:
_____
Agency Counsel

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APPROVED AS TO FORM:
_____
CITY ATTORNEY

BACKGROUND

For many years, the Agency has effectively managed numerous budgetary challenges including the complete decentralization and streamlining of the Public Housing and Housing Choice Voucher programs in response to federal funding cuts and regulatory changes. In recent years, we have grappled with the drastic decline of tax increment revenues and the multiple ERAF/SERAF shifts of tax increment to the State of California. With the implementation of AB x1 26 and AB 1484 in 2012, the Agency has confronted our greatest challenge to date, the elimination of redevelopment.

To confront these challenges, the Agency has efficiently controlled costs through a variety of strategies:

- Managing the workforce through layoffs, attrition and filling vacant Housing Authority positions with qualified redevelopment staff. The Agency has also worked closely with its two bargaining units on implementing year-end closures and reduced work schedules for the past three years.

- The services and supplies budget has been reduced to reflect the changes in head count and the new scope of projects and services provided by the Agency including the winding down of the one-time federal recovery funding.

As the Agency closes out the federal Neighborhood Stabilization Program (NSP) grant, it is expected that the one-time administrative funding provided by HUD for NSP will be largely depleted by the end of 2013. Given the broad spectrum of funding reductions absorbed over the past two years and the potential for continued cuts in 2013, the Agency has continued to make the necessary operational cuts to position the organization for the uncertain future.

DISCUSSION

Public Housing:

The Agency owns and manages approximately 3,494 housing units within the City and County of Sacramento. Approximately 3,068 of the units were developed under the federal public housing program administered by the Department of Housing and Urban Development (HUD) and are located throughout the Sacramento region with with 2,021 units in the City and 1,047 units in the County. Of those units approximately 1,000 are designated as elderly and/or disabled-only with the remaining units available to families. Program revenues are generated from tenant rent collections and operating subsidies provided by HUD. The amount of rent paid by the tenants is based on 30 percent of gross family income minus certain other adjustments. In addition to the public housing units, the Housing Authority manages another 426 units of local non-public housing.

The average occupancy rate in the Public Housing program is in the mid-1990s for public housing properties available to be leased. The recent decline in rents is due to several factor including: 1) the vacancies in 626 I Street associated with the Agency's relocation from the commercial space and the relocation of the tenants for the planned rehabilitation of the site, 2) the disposition of public housing units sold under the HUD 5h/Section 32 program, 3) the disposition of the Washington, Sutterview, and Sierra Vista high-rises to the Agency affiliated non-profit the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), 4) vacant and boarded units being sold under the NSP Property Recycling Program and 5) the reduction in Temporary Aid to Needy Families and Social Security Income to Public Housing Authority (PHA) tenants which reduces the tenants share of the rental payments (30 percent of income). Rent revenues are expected to improve beginning in late 2012 as both the commercial and residential floors of 626 I Street are brought back online.

HUD Operating subsidy levels have risen in recent years with federal appropriations for the program reaching as high as 103 percent of funding eligibility in 2010 and 100 percent in 2011. However, since program funding is determined annually, the level of subsidy received from HUD can be very volatile from year to year depending upon the federal appropriations process in Washington. Based upon the first eight months of 2012, we expect to receive only 96 percent of our 2012 funding eligibility and have targeted a similar proration level for 2013.

Capital Fund Program:

The HUD Capital Fund program provides funding annually via a formula, and program funds are allocated to PHAs across the nation. Capital Fund grants are intended specifically for the development, financing, modernization, and management improvements for properties owned under the HUD public housing program. The Agency receives funding for the public housing properties owned by the City and County Housing Authorities. In 2011, the federal government cut program funding by 21 percent compared to the 2010 level and cut funding an additional 2 percent in 2012 for a cumulative loss of 23 percent over the last two years. Current Congressional proposals reflect status quo funding for 2013. Revenue estimates are based on the current year grant amounts and are adjusted based upon Federal appropriation proposals.

Additionally, the Housing Authority received one time federal stimulus funds provided to the Agency under the American Recovery and Reinvestment Act (ARRA) of 2009. The Housing Authority received $7.2 million on a formula basis and an additional $10 million under a competitive grant application. The City Housing authority was the only Housing Authority on the west coast to win a competitive award of the ARRA grant funds. The ARRA funds are to be used for the rehabilitation and modernization of public housing units in the portfolio, and the competitive grant funds were awarded for the specific purpose of rehabilitating a residential high-rise located in Downtown Sacramento. The Agency closed out the activities of these recovery grants in 2012.

Public Housing (Non-Federal):

While the public housing program has shown some decreases in rents and operating subsidy, the Agency's local housing projects, units not regulated by HUD, have shown positive revenue trends. The primary reason for this change is the implementation of the Housing Authority's asset repositioning strategy that has moved two Public Housing high-rise buildings to SHARP, Inc., an Agency controlled non-profit.

Housing Choice Voucher Program (HCV):

The Housing Choice Voucher (formerly Section 8 Housing Assistance) program is funded by HUD through Annual Contribution Contracts (ACC). The Agency administers this program on behalf of the Housing Authority of the County of Sacramento. The Housing Choice Voucher program permits the applicant to obtain housing in the private rental market using housing vouchers. Program participants pay a portion (an adjusted 30 percent of gross family income) of the lease rate to the owner and the remaining rent amount is paid by the Agency. Participants can utilize their voucher anywhere in the City or County of Sacramento.

Revenue under the HCV program is received from HUD in the form of Housing Assistance Payments (HAP) and Administrative Fees (AF). The federal appropriations process dictates the amount of funding that will be allocated to the HCV program on a national level. Jurisdictional funding allocations are performance based, with the funding level determined by the number of authorized vouchers leased. Currently, the Agency's HCV program has 11,762 housing choice vouchers authorized for leasing each month and the program has maintained leasing levels in excess of 98 percent since 2008. The high utilization level of vouchers makes the program eligible for maximum funding from HUD. Despite the fact that the Agency is entitled to maximum funding for the program, HUD has intentionally provided less funding than required to cover HAP costs in an effort to recapture accumulated HAP reserves from public housing authorities across the country. In 2008 and 2009 HUD intentionally recaptured HAP reserves leaving the Housing Authority with approximately two weeks of reserves; therefore, managing leasing levels becomes exceptionally important.

2013 funding for HAP is expected to cover actual HAP costs provided federal appropriations for the program remain the same. However, 2012 administrative funding for the program appears to be headed for a 5 percent reduction compared to the prior year. While we anticipate that administrative funding will be maintained at 2012 levels, there is still a potential for funding cuts in 2013 since the federal budget still has not been approved.

Community Development Block Grant (CDBG):

CDBG is a federal entitlement program provided to communities annually for the benefit of low-income persons through housing improvement, public improvements, economic development, public service, and elimination of blighting conditions. Areas of Sacramento which are low-income and extremely physically blighted have been selected for targeted CDBG assistance in the areas of capital improvements, housing preservation and renovation, and economic development and commercial revitalization activities. These funds must be used to augment, but not replace, local funds and responsibilities. The annual HUD CDBG entitlement budget is allocated to cities and counties based on a formula comprised of several measures. The Agency receives grants for both the City of Sacramento and the County of Sacramento. Funding for the CDBG program was relatively stable until 2011 when cuts to the federal budget resulted in a two year cumulative program reduction of 31 percent. For 2013, current funding proposals reflect a status quo funding level, but there is still the possibility of an additional funding cut should the sequestration cuts required by H.R. 5872 be implemented.

The Agency is currently administering CDBG entitlement funding and one-time federal stimulus funds provided to the Agency under the Housing and Economic Recovery Act (HERA) of 2008. In the first round of funding, the Agency received $31.8 million of funding for the Neighborhood Stabilization Program (NSP) to assist with the acquisition and/or rehabilitation of foreclosed properties in the City and County of Sacramento. In 2010, HUD announced that the Agency would receive an additional $8.3 million in NSP Funding. Also, the Agency received $3.12 million in additional CDBG funding under the American Recovery and Reinvestment Act of 2009. In 2013 the Agency expects to close out the majority of the activities under the NSP program.

Home Investment Partnership Program (HOME):

This program provides for the preservation and expansion of affordable housing to very low and low-income persons. Housing developers and sponsors (both for-profit and non-profit) apply to SHRA for funding. In the past, HOME funds have assisted families in purchasing their first home, renovated deteriorating housing units, and assisted in special housing programs. The annual HUD HOME budget is allocated to states and participating jurisdictions as formula grants. The Agency receives HOME entitlements for both the City of Sacramento and the County of Sacramento. Funding has remained fairly level for the last several years, but since 2010 appropriations for HOME have declined by 46 percent. Current federal funding proposals reflect status quo funding levels for 2013. Estimates are generally based on the current year grant amounts and adjusted as needed based upon federal appropriation proposals.

Redevelopment Tax Increment:

The revenues are generated from the incremental property taxes collected from properties within the boundaries of redevelopment project areas. The Agency administered 14 project areas throughout the City and County of Sacramento:

CITY	COUNTY	JOINT
65th Street Alkali Flat Army Depot Del Paso Heights Merged Downtown North Sacramento Oak Park Railyards River District	Florin Road Mather/McClellan	Auburn Franklin Boulevard Stockton Boulevard

Assembly Bill x1 26, enacted on June 29, 2011 for the express purpose of eliminating California redevelopment agencies, was upheld by the California Supreme Court on December 29, 2011. Accordingly, as of February 1, 2012, all redevelopment agencies in California, including the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento, ceased to exist, and successor agencies were put in place to wind down the affairs of the former redevelopment agencies. The City and County of Sacramento have elected to be the successor agencies for purposes of winding down the affairs of the former redevelopment agencies. While the Housing Authority of the City of Sacramento has been designated as the local authority to serve as the Housing Successor Agency for the former Redevelopment Agency of the City of Sacramento and the Housing Authority of the County of Sacramento has been designated as the local authority to serve as the Housing Successor Agency for the former Redevelopment Agency of the County of Sacramento for purposes of winding down the remaining housing obligations of the former redevelopment agencies.

The City and County of Sacramento, acting as the Successor Agencies, have received all assets of the former redevelopment agencies with the exception of current housing obligations, which are administered by the City and County Housing Authorities and staffed by the Agency. All future property tax revenues, previously tax increment, are now received by the City or County of Sacramento as Successor Agencies in order to retire enforceable obligations including payments on bonds, Development and Disposition Agreement, Owner Participation Agreements and other redevelopment debt.

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RESOLUTION NO. 2012-

Adopted by the Sacramento City Council

on date of

APPROVAL OF 2013 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

BACKGROUND

A. The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento (or its Successor), Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento (or its Successor) and Housing Authority of the County of Sacramento.

B. Agency receives annual funding from a combination of federal, state and local sources.

C. The sources of Agency revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year.

D. As of February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution # 2012-018, the fiscal administration of the former Redevelopment Agency of the City was assumed within the management structure of the City of Sacramento which elected to manage the dissolution of its redevelopment agency and administer the Redevelopment Agency Successor Agency (RASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget.

E. Agency's fiscal year is the calendar year from January 1st through December 31st.

F. Pursuant to Health and Safety Code Section 34173 (g) RASA is a separate public entity from the public agency that provides for its governance.

G. Pursuant to Health and Safety Code Section 34176 and resolution # 2012-001, the City of Sacramento designated the Housing Authority of the City of Sacramento (HACS or Authority) as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The proposed actions to adopt the 2013 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15301. There is no federal funding associated with these actions; therefore, NEPA does not apply.

All other actions are associated with the adoption of the 2013 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The 2013 Operating Budget totaling $151,073,105 and the 2013 Project Budget totaling $18,611,895, all as further described in the 2013 Proposed Agency Budget (hereinafter "2013 Agency Budget" or "Budget"), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of Agency for the 2013 fiscal year. The 2013 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 3. A total of 253 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 4. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 5. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate legal directives of the California State Department of Finance and/or the State Controller's Office and the actions taken by the City of Sacramento acting as Successor Agency of the former Redevelopment Agency approved by the Successor Agency's Oversight Board.

Section 6. The Agency is authorized to submit the 2013 Annual Housing Operating Budget and all supporting documents to the United States Department of Housing and Urban Development (HUD), including all required amendments for utilities and other miscellaneous adjustments. Furthermore, Agency is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.

Section 7. The proposed expenditures under the 2013 Housing Operating Budget are necessary in the efficient and economical operation of Agency housing to serve low-income families.

Section 8. The housing financial plan set forth in the 2013 Housing Operating Budget 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.

c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract.

d. It implements the fee for service provisions and support service costs based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service. The fee for service provision is predicated on the revenues generated by fees being sufficient to cover the cost of services provided.

Section 9. The Housing Authority of the City of Sacramento (Authority), staffed by the Agency, is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, Agency is authorized to accept the grant or grants, execute all related documents, execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the budget accordingly. Agency is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. Agency is authorized to submit the Comprehensive Plan or annual statement to

HUD, after receiving public comments and resident review.

Section 10. On an annual basis, HUD requires the Authority, staffed by the Agency, to conduct a physical inventory, analyze receivables for collectability, and, accordingly, reconcile and adjust related financial records. Agency is authorized to amend the Budget and financial records as needed for such adjustments.

Section 11. Agency is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. Agency is also authorized to obtain flood insurance through the federal flood insurance program for Agency properties and this coverage may be secured through a local independent agent.

Section 12. Subject to availability under the Budget of any required funds, Agency is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted Agency/Housing Authority policy and governing board approvals. The Agency is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the approved HUD approved conversion.

Section 13. The Agency is authorized and directed to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and PHA Five-Year Plan and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 14. The Agency 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 Authority, staffed by the Agency, is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year action Plan. If such grants are awarded, the Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 15. Agency is authorized to administer funds or delegate authority to other

appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the approved Action Plans and funding source requirements.

Section 16. Agency is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which the Agency is the designated recipient of grant funds or contracting agency. Agency is authorized to accept such grants, execute contracts to implement homeless activities funded in the Budget and amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget). The Agency is authorized to execute contracts for homeless activities funded in the Agency Budget as outlined in the Agency public services schedule.

Section 17. Agency is authorized to submit grant applications on behalf the City of Sacramento for any and all housing and community development activities within the jurisdiction of Agency. If such grants are awarded, Agency is authorized to accept the grant or grants execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- United States Environmental Protection Agency Brownfield Assessment
- United States Environmental Protection Agency Brownfield Clean Up
- United States Environmental Protection Agency Brownfield Revolving Loan Fund
- United States Environmental Protection Agency Brownfield Job Training
- California State Water Resources Control Board – Underground Storage Cleanup
- CAL REUSE Cleanup Grant and Loan Program

Section 18. Agency is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. Agency 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. Further, Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave, and vacation accruals.

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. Agency is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 21. Agency is authorized to increase or decrease operating Budget appropriations up to $100,000. Operating Budget appropriation increases and decreases in excess of $100,000 must be approved by the appropriate governing board.

Section 22. Agency is authorized to transfer appropriations up to $100,000 per transaction in Operating Budget and contingency reserves.

Section 23. Agency is authorized to increase or decrease project budget appropriations by not more than $100,000 for each project or activity. Project budget appropriation increases and decreases in excess of $100,000 must be approved by the appropriate governing board.

Section 24. Agency is authorized to transfer project appropriations among fund groups.

Section 25. Agency is authorized to amend the Budget to reflect all required debt service payments, pass through payments loan repayments and other existing obligations based on actual higher or lower revenues.

Section 26. The Agency is authorized to amend the operating budget or capital project budget or transfer funding of approved capital projects or operating budgets within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations or changes to the aforementioned.

Section 27. Agency is authorized to execute and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available

revenues as needed to assure receipt of anticipated revenues.

Section 28. Agency 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 Budget. Agency is authorized to enter into "loan work outs," to the extent reasonably necessary to protect Agency assets, and in entering such "work outs," Agency is authorized to renegotiate and 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). Further, the Agency is authorized to renegotiate existing Agency debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide the Agency with more favorable loan terms.

Section 29. All project appropriations in existence as of December 31, 2012 will be carried over and continued in 2013.

Section 30. All multi-year operating grant budgets in existence as of December 31, 2012 shall be continued in 2013.

Section 31. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2012 may remain in effect in 2013. Agency is authorized to increase the Budget for valid encumbrances as of December 31, 2012, but only to the extent that the applicable division's 2012 operating budget appropriations exceeded 2012 expenditures.

Section 32. Agency is authorized to incorporate the changes listed on Exhibit A as part of the 2013 Budget.

Section 33. If any entity requires a separate resolution for any action approved within this resolution other than resolutions for approval or amendment of projects, programs or the Agency Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 34. Agency is authorized to delegate the authorities as set out in this resolution.

Section 35. This resolution shall take effect immediately.

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Exhibit A - Summary of Changes to Sacramento Housing and Redevelopment Agency Proposed 2013 Budget

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EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2013 BUDGET

Approved 2012 Total Operating Budget	$ 151,073,105
Revised Approved 2012 Total Operating Budget	$0
Approved 2012 New Projects	$ 18,611,895
Revised Approved 2012 New Projects	$0
TOTAL SHRA BUDGET	$ 169,685,000

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RESOLUTION NO. 2012 -

Adopted by the Sacramento City Council
acting as the Redevelopment Agency Successor Agency

on date of

CONSENTING TO 2013 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY: RELATED FINDINGS AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR FUND TRANSFERS

BACKGROUND

A. The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento (or its Successor), Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento (or its Successor) and Housing Authority of the County of Sacramento.

B. Agency receives annual funding from a combination of federal, state and local sources.

C. The sources of Agency revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year.

D. As of February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution # 2012-018, the fiscal administration of the former Redevelopment Agency of the City was assumed within the management structure of the City of Sacramento which elected to manage the dissolution of its redevelopment agency and administer the Redevelopment Agency Successor Agency (RASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget.

E. Agency's fiscal year is the calendar year from January 1st through December 31st.

F. Pursuant to Health and Safety Code Section 34173 (g) RASA is a separate public entity from the public agency that provides for its governance.

G. Pursuant to Health and Safety Code Section 34176 and resolution #2012-001the City of Sacramento designated the Housing Authority of the City of Sacramento (HACS) as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY OF SACRAMENTO AS THE REDEVELOPMENT AGENCY SUCCESSOR AGENCY RESOLVES AS FOLLOWS:

Section 1. The proposed action consenting to the adoption of the 2013 Proposed Agency Budget is considered an administrative and management activity As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15301. There is no federal funding associated with these actions; therefore, NEPA does not apply.

All other actions related to the adoption of the 2013 proposed budget, do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. RASA is authorized to transfer funds to the Agency and execute agreements with the Agency or HACS as necessary to facilitate legal directives of the California State Department of Finance and/or the State Controller's Office or to provide staffing services to RASA, such agreements with the Agency are subject to Successor Agency Oversight Board Approval.

Section 3. RASA finds and declares that the proposed expenditure of tax increment housing funds, as set forth in approved Recognized Obligation Payment Schedules, for activities serving the homeless, including providing subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, as allocated/outlined in the budget, will not cause or exacerbate racial, ethnic or economic segregation and will be beneficial to all former Redevelopment Project Areas by facilitating the production of affordable housing and providing housing for a population which remains in or frequents the former Redevelopment Project Areas and is perceived as a blighting influence by business owners, property owners, workers and residents, and as a result impedes the elimination of blight in the community.

Section 4. RASA further finds and declares that the proposed expenditure of tax increment housing funds, as set forth in approved Recognized Obligation Payment Schedules to provide subsidies to, or for the benefit of, extremely low income households through either site specific rental assistance or tenant based rental assistance, increases, improves, and preserves the community's supply of low and moderate-income housing available at an affordable housing cost to persons and families that are extremely low, very low, low or moderate income households and will be of benefit to the community.

Section 5. RASA finds and declares that the proposed planning and administrative expenses which may be paid for from the former low and moderate income housing fund, pursuant to an approved Recognized Obligation Payment Schedule, is necessary for the production, improvement and/or preservation of low and moderate income housing during the 2013 Agency Budget year.

Section 6. RASA is authorized to transfer funding consistent with an approved Recognized Obligation Payment Schedule to the Agency or HACS for approved capital projects or operating expenses in compliance with all bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.

Section 7. If any entity requires a separate resolution for any action approved within this resolution other than resolutions for approval or amendment of projects, programs or the Agency Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 8. This resolution shall take effect immediately.

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RESOLUTION NO. 2012-

Adopted by the Housing Authority of the City of Sacramento

on date of

APPROVAL OF 2013 BUDGET FOR SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY; RELATED FINDINGS, APPROVALS, DELEGATIONS, AND IMPLEMENTING AUTHORITIES; INCLUDING AUTHORITIES FOR HUD SUBMISSIONS, GRANTS AND FUND TRANSFERS

BACKGROUND

A. The Sacramento Housing and Redevelopment Agency (Agency) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento (or its Successor), Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento (or its Successor), and Housing Authority of the County of Sacramento.

B. Agency receives annual funding from a combination of federal, state and local sources.

C. The sources of Agency revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year. As of February 1, 2012, pursuant to Health and Safety Code Section 34173 and resolution 2012-018, the fiscal administration of the former Redevelopment Agency of the City was assumed within the management structure of the City of Sacramento which elected to manage the dissolution of its redevelopment agency and administer the Redevelopment Agency Successor Agency (RASA). The budget of the former Redevelopment Agency is no longer incorporated within the Agency Budget. Pursuant to Health and Safety Code Section 34173 (g) RASA is a separate public entity from the public agency that provides for its governance.

D. Agency's fiscal year is the calendar year from January 1st through December 31st.

E. Pursuant to Health and Safety Code Section 34176 and resolution 2012-001 the City of Sacramento designated the Housing Authority of the City of Sacramento (HACS) as the local authority to retain the housing-assets and housing-functions previously performed by its Redevelopment Agency.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1. The proposed actions to adopt the 2013 Proposed Agency Budget are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3). Public services provided for in the budget associated with multi-family supplemental assessments and rental assistance are actions associated with existing facilities with no changes to or expansion of use. As such, these activities are categorically exempt under CEQA pursuant to CEQA Guidelines Section 15301. There is no federal funding associated with these actions; therefore, NEPA does not apply.

All other actions associated with the adoption of the 2013 proposed budget, and do not make any commitments to, or give approvals for, specific projects. Environmental Review for specific projects will be completed prior to any discretionary action(s) being carried out with regard to such projects.

Section 2. The 2013 Operating Budget totaling $151,073,105 and the 2013 Project Budget totaling $18,611,895, all as further described in the 2013 Proposed Agency Budget (hereinafter "2013 Agency Budget or "Budget"), a copy of which is on file with the Agency Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of Agency for the 2013 fiscal year. The 2013 Agency Budget incorporates the budgets of the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation, and adoption of those budgets is contingent upon the approval of each of these respective entities.

Section 3. A total of 253 Agency full time equivalent positions (FTE) are approved subject to classification review by the Executive Director of the Sacramento Housing and Redevelopment Agency.

Section 4. Subject to availability under the Budget of any required funds, the Executive Director, or her designee, is authorized to amend the Budget as necessary to accept funds, expend funds, or transfer funds among operating budgets or project budgets to complete enforceable housing obligations, comply with legal directives of the California State Department of Finance and/or the State Controller's Office, facilitate the dissolution of redevelopment pursuant to AB 1x 26 and AB 1484, or to provide staffing services to Redevelopment Agency Successor Agency (RASA). Such

transactions must comply with applicable laws and regulations and agreements to provide staffing services for RASA are subject to RASA Oversight Board Approval.

Section 5. The budgeted amount for any item in the Budget may be amended by majority vote of the governing body of each entity actually undertaking and funding the activity. Such an amendment to the Budget so enacted shall be deemed to have been approved by all of the entities that originally adopted the Budget without further action of the remaining entities.

Section 6. The Executive Director, or designee, is authorized to submit the 2013 Annual Housing Operating Budget and all supporting documents 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, or designee, is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects. See Exhibit B-1 for a summary of the public housing operating budget.

Section 7. The proposed expenditures under the 2013 Housing Operating Budget are necessary for the efficient and economical operation of Agency housing to serve low-income families.

Section 8. The housing financial plan set forth in the 2013 Housing Operating Budget 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.
c. It proposes rental charges and expenditures that are consistent with provisions of law and the Annual Contributions Contract
d. It includes asset management project budgets prepared on an individual basis as shown in the Schedule of Public Housing AMP and Central Office 2013 Budget attached as Exhibit B-1.

Section 9. Form HUD-52574 (08/2005), attached as Exhibit B-2 for signature by the Chair of the Board of the Housing Authority, provides necessary certifications for submission of the Operating Budgets described in Section 7d.

Section 10. Based on the HUD requirement for public housing authorities to implement Asset Management that includes fee for service, the Budget implements the fee for service provisions and support service costs. The fee for service provision is predicated on the concept that fee revenues will cover the cost of the services provided.

Section 11. The Executive Director, or designee, is authorized to submit applications to HUD for the Capital Fund Plan and Program funding. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents and to execute contracts to implement the Capital Fund Program subject to HUD approval of the annual statements and amend the budget accordingly. The Executive Director, or designee, is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. The Executive Director, or designee, is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review.

Section 12. On an annual basis the Agency, on behalf of the Housing Authority of the City of Sacramento (HACS), conducts a physical inventory, analyzes receivables for collectability and, accordingly, reconciles and adjusts related financial records. The Executive Director, or designee, is authorized to amend the Budget and financial records as needed for such adjustments.

Section 13. The Executive Director, or designee, is authorized to purchase all lines of applicable insurance for its properties and operations through local independent agents, direct carriers, or risk retention pools, provided that the insurance requirements, coverage and terms are commercially reasonable and provided that the cost does not exceed the amounts in the approved Budget. Agency, on behalf of HACS, is also authorized to obtain flood insurance through the federal flood insurance program for HACS properties and this coverage may be secured through a local independent agent.

Section 14. Subject to availability under the Budget of any required funds, the Executive Director, on behalf of HACs, is authorized to approve conversion of HUD funded conventional public housing dwelling units to non-dwelling use or disposition as long as the use or disposition is approved by HUD and consistent with adopted HACS policy and governing board approvals. The Executive Director, or designee, is authorized to amend the Budget as necessary and to transfer funds among operating budgets or project budgets to facilitate the HUD approved conversion.

Section 15. The Executive Director, or designee, is authorized and directed, on behalf of HACS, to approve, submit and implement the Public Housing Agency (PHA) Annual Plan and the PHA Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 16. The Executive Director, or designee, 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). HACS, staffed by the Agency, is delegated authority to administer federal funds appropriated by HUD and is the designated recipient of funds outlined in the One Year action Plan. If such grants are awarded, Agency is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Agency is authorized to amend the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 17. The Executive Director, or designee, is authorized to administer funds or delegate authority to other appropriate entities approved by the governing boards, to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained in the approved Action Plans utilizing ESG and HOPWA funds, strictly in accordance with the terms of the approved Action Plans and funding source requirements.

Section 18. The Executive Director, or designee, is authorized to enter into necessary grants and agreements with HUD, the State Housing and Community Development Department (HCD), and other governmental or private entities for homeless programs for which HACS/Agency is the designated recipient of grant funds or contracting agency. Agency, on behalf of HACS, is authorized to accept such grants, execute contracts to implement homeless activities funded in the Budget and amend the Budget accordingly (provided that the activities are fully funded by the grant or are within the Agency Budget). The Executive Director, or designee, is authorized to execute contracts for homeless activities funded in the Agency Budget as outlined in the Agency public services schedule.

Section 19. The Executive Director, or designee, is authorized to submit grant applications on behalf of the Housing Authority of the City of Sacramento for any and all housing and community development activities within the jurisdiction of Agency. If such grants are awarded, Agency is authorized to accept the grant or grants execute contracts to implement grant activities with the appropriate entities (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. Budget expenditure and amendments for such grants are permitted for positions, services and supplies, equipment and projects. Agency is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such grants may include but are not limited to the following:

- Homeless Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program
- Family Unification Program
- Family Self Sufficiency
- Veteran's Assistance and Supportive Housing
- United States Environmental Protection Agency Brownfield Assessment
- United States Environmental Protection Agency Brownfield Clean Up
- United States Environmental Protection Agency Brownfield Revolving Loan Fund
- United States Environmental Protection Agency Brownfield Job Training
- California State Water Resources Control Board – Underground Storage Cleanup
- CAL REUSE Cleanup Grant and Loan Program

Section 20. The Executive Director, or designee, is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. The Executive Director, or designee, 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. Further, Agency is authorized to expend available balances from the payroll fund for the cost of liabilities such as post retirement medical benefits, sick leave and vacation accruals.

Section 21. The Agency Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 22. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 23. The Executive Director, or designee, is authorized to increase or decrease operating Budget appropriations up to $100,000. Operating Budget appropriation increases and decreases in excess of $100,000 must be approved by the appropriate governing board.

Section 24. The Executive Director, or designee, is authorized to transfer appropriations up to $100,000 per transaction in Operating Budget and contingency reserves.

Section 25. The Executive Director, or designee, is authorized to increase or decrease

project budget appropriations by not more than $100,000 for each project or activity. Project budget appropriation increases and decreases in excess of $100,000 must be approved by the appropriate governing board.

Section 26. The Executive Director, or designee, is authorized to transfer any available fund balances from HACS instrumentalities or affiliates to allocate for future HACS projects or to reduce budget shortfalls, provided the use and receipt of funds is not otherwise restricted by law or regulations. Such transactions are subject to HACS instrumentality or affiliate board approval.

Section 27. The Executive Director, or designee, is authorized to amend the Budget to reflect all required debt service payments, pass through payments loan repayments, and other existing obligations based on actual higher or lower revenues.

Section 28. The Executive Director, or designee, is authorized to amend the operating budget or capital project budget or transfer funding of approved capital projects or operating budgets in compliance with appropriate approvals, bond covenants, tax laws and applicable laws and regulations or changes to the aforementioned.

Section 29. The Executive Director, or designee, on behalf of HACS serving as the Successor Housing Entity, is authorized to execute, and implement internal loans between Agency managed funds as reflected in the Budget and as consistent with bond covenants, tax laws and applicable redevelopment laws and regulations; and to modify the terms of loans and reconcile available revenues as needed for the completion of enforceable housing obligations of the former redevelopment agency to assure receipt of anticipated revenues.

Section 30. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect HACS assets under contracts, loans, disposition and development agreements, owner participation agreements and other HACS agreements and to appropriate the associated revenues in the Budget. Agency, on behalf of HACS is authorized to enter into "loan work outs," to the extent reasonably necessary to protect HACS assets, and in entering such "work outs," Agency is authorized to renegotiate and 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). Further, The Executive Director, or designee,is authorized to renegotiate existing HACS debt obligations and execute new security instruments provided the terms of the new debt do not increase the principal outstanding and either result in a cost savings or provide HACS with more favorable loan terms.

Section 31. All project appropriations in existence as of December 31, 2012 will be carried over and continued in 2013.

Section 32. All multi-year operating grant budgets in existence as of December 31, 2012 shall be continued in 2013.

Section 33. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2012 may remain in effect in 2013. The Executive Director, or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2012, but only to the extent that the applicable division's 2012 operating budget appropriations exceeded 2012 expenditures.

Section 34. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2013 Budget.

Section 35. If any entity requires a separate resolution for any action approved within this resolution other than resolutions for approval or amendment of projects, programs or the Agency Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 36. The Executive Director, or designee, or designee, is authorized to delegate the authorities as set out in this resolution.

Section 37. This resolution shall take effect immediately.

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Exhibit A: Summary of Changes To Sacramento Housing and Redevelopment Agency Proposed 2013 Budget

Exhibit B-1: 2013 City Public Housing Asset Management Projects (AMP) and Central Office Cost Center (COCC)

Exhibit B-2: HUD Resolution Approving the 2013 AMP Budgets

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EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2013 BUDGET

Approved 2012 Total Operating Budget	$ 151,073,105
Revised Approved 2012 Total Operating Budget	$0
Approved 2012 New Projects	$ 18,611,895
Revised Approved 2012 New Projects	$0
TOTAL SHRA BUDGET	$ 169,685,000

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EXHIBIT B-1

City Public Housing AMP, Central Office and Central Services Budget

January 1 - December 31, 2013

PHA Code: CA005
City of Sacramento

	City AMP 1	City AMP 2	City AMP 3	City AMP 4	City AMP 5	City AMP 6	City AMP 7	Total City Public Housing	City COCC Central Office & Central Svc
Beginning fund equity	$ 635,988	$ 1,021,107	$ 929,734	$ (68,625)	$ 104,363	$ 391,930	$ (53,088)	2,961,409	$ 225,959
Revenues:									
HUD Operating Subsidy	1,423,000	1,732,000	511,000	648,000	677,000	472,000	598,000	6,061,000	-
Maintenance Charges to Tenants	19,000	20,000	5,500	10,000	22,000	400	18,000	94,900	-
Washer/Dryer Income	6,000	-	7,000	8,000	4,000	4,000	6,000	35,000	-
Rental Income - Dwelling	585,000	578,000	464,000	496,000	418,000	309,000	415,000	3,265,000	-
Rental Income - Commercial			-			183,853		183,853	-
Interest Income - Investment	10,000	10,000	12,000	1,000	700	3,500	1,000	38,200	2,300
Bad Debt Recovery	-	200	-	-	1,000	-	200	1,400	
Miscellaneous income	9,015	16,715	3,615	2,515	9,515	1,015	4,715	47,105	75,830
Management Fee	-	-	-	-	-		-	-	1,445,395
IT/Bookkeeping Fee	-	-	-	-	-		-	-	207,180
Asset Management Fee	-	-	-	-	-		-	-	155,520
Admin Fee (CFP)	-	-	-	-	-		-	-	214,147
Central services fees	-	-	-	-	-		-	-	344,514
Total operating revenue	2,052,015	2,356,915	1,003,115	1,165,515	1,132,215	973,768	1,042,915	9,726,458	2,444,886
CFP operating transfers	-	-	-	-	-	-	-	-	-
CFP Mgmt impr transfers	74,872	90,165	125,321	60,799	105,077	42,071	82,798	581,103	-
AMP to AMP transfers	-	-	-	167,539	-	-	182,642	350,181	-
Total revenues and transfers in	2,126,887	2,447,080	1,128,436	1,393,853	1,237,292	1,015,839	1,308,355	10,657,742	2,444,886
Expenditures:									
Employee Services:									
- Management/Maintenance	677,233	678,764	445,100	382,070	380,669	237,890	388,257	3,189,983	983,102
- Maintenance									-
- Resident Trainees	17,274	15,116	15,116	15,116	15,116	15,116	15,116	107,970	-
Total Employee Services	694,507	693,880	460,216	397,186	395,785	253,006	403,373	3,297,953	983,102
Services & Supplies:									
- Management/Maintenance	786,032	805,398	296,140	628,733	599,160	549,164	542,587	4,207,214	1,536,491
- Maintenance								-	-
- Resident Trainees	57,598	75,049	110,205	45,683	89,961	26,955	67,682	473,133	-
Total Services & Supplies	843,630	880,447	406,345	674,416	689,121	576,119	610,269	4,680,347	1,536,491
Other Charges:									
Financial Transactions	2,300	2,700	3,100	280	225	800	200	9,605	30
- Central Service Fees	69,288	75,254	31,564	47,732	44,075	32,141	44,460	344,514	-
- Miscellaneous (PILOT,Depr.)	29,653	34,101	13,344	19,275	19,275	13,344	19,275	148,267	-
- AMP to AMP transfers	-	350,181	-	-	-	-	-	350,181	-
Management Fee	248,558	268,749	167,794	165,009	156,654	116,272	157,350	1,280,386	-
IT / Bookkeeping Fee	32,130	34,740	21,690	21,330	20,250	15,030	20,340	165,510	-
Asset Management Fee	43,200	46,920	19,680	-	-	20,040	-	129,840	-
Capital Expenditures	-	-	-	-	-	-	-	-	-
Total operating expense	1,963,266	2,386,972	1,123,733	1,325,228	1,325,385	1,026,752	1,255,267	10,406,603	2,519,623
HUD mandated restricted operating reserve (1/12)	-	-	-	-	-	-	-	-	-
Ending Balance	$ 799,609	$ 1,081,215	$ 934,437	$ -	$ 16,270	$ 381,017	$ -	$ 3,212,548	$ 151,222

Board Resolution Approving the AMP Budgets

PHA Board Resolution
Approving Operating Budget

OMB No. 2577-0026
(exp. 10/31/2009)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Real Estate Assessment Center (PIH-REAC)

Previous editions are obsolete form HUD-52574 (08/2005) Public reporting burden for this collection of information is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income public housing program and provides a summary of the proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the public housing agency (PHA) and the amounts are reasonable, and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

PHA Name: Housing Authority- City of Sacramento PHA Code: CA005
PHA Fiscal Year Beginning: 01/01/13 Board Resolution Number:
Acting on behalf of the Board of Commissioners of the above-named PHA as its Chairperson, I make the following certifications and agreement to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

DATE

☒ Operating Budgets ***(for COCC and all Projects)*** approved by Board resolution on: _____
☐ Operating Budget submitted to HUD, if applicable, on: _____
☐ Operating Budget revision approved by Board resolution on: _____
☐ Operating Budget revision submitted to HUD, if applicable, on: _____

I certify on behalf of the above-named PHA that:

1. All statutory and regulatory requirements have been met;

2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;

3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;

4. The budget indicates a source of funds adequate to cover all proposed expenditures;

5. The PHA will comply with the wage rate requirement under 24 CFR 968.110(e) and (f); and

6. The PHA will comply with the requirements for access to records and audits under 24 CFR 968.325.

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, if applicable, is true and accurate.
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012.31, U.S.C. 3729 and 3802)

Print Board Chairman's Name:	Signature:	Date:
Mayor Kevin Johnson		

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SHRA

INVESTING IN COMMUNITIES

2013 PROPOSED BUDGET

SHRA
2013 Proposed Budget

Submitted to:

Sacramento City Council

Sacramento County Board of Supervisors

Housing Authority of the City of Sacramento

Housing Authority of the County of Sacramento

City of Sacramento as Redevelopment Agency
Successor Agency (RASA)

County of Sacramento as Redevelopment Agency
Successor Agency (RASA)

Sacramento Housing and Redevelopment
Commission

By
LaShelle Dozier
Executive Director

SHRA

2013 Proposed Budget

ACKNOWLEDGEMENT

Prepared by the Sacramento Housing and Redevelopment Agency
Finance Department

Don Cavier, Director of Finance
Lori Miller, Finance Manager
Kelly Tang, Finance Manager
Karen Lukes, Management Analyst
Yvonne Dang, Principal Accountant
Kim Mar, Acting Principal Accountant
Greg Walter, Accountant
Doris Pabis, Accountant
Lori Dujordan, Accounting Technician
Ada Yuen, Accounting Technician
Cecilia Mendiola, Finance Specialist - Payroll

California Society of Municipal Finance Officers

Certificate of Award

Meritorious in Operating Budget
Fiscal Year 2011-2012

Presented to the

Sacramento Housing & Redevelopement Agency

For meeting the criteria established to achieve the Meritorious in Operating Budget in the .

February 29, 2012

Scott Johnson
CSMFO President

Chu Thai, Chair
Professional Standards and Recognition Committee

Dedicated Excellence in Municipal Financial Reporting

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SECTION A

GENERAL

INVESTING IN COMMUNITIES

October 17, 2012

A Joint Powers Agency

MEMBERS

City of Sacramento

County of Sacramento

Housing Authority of the City of Sacramento

Housing Authority of the County of Sacramento

City Council, City Housing Authority,
Board of Supervisors and County Housing Authority

Honorable Members in Session:

Today, I present to you the Sacramento Housing and Redevelopment Agency's 2013 Proposed Budget. The total expense budget proposed for 2013 equals **$169.6** million, with **$107.2** million for housing assistance payments, **$19.9** million for salary and benefits, **$14.7** million for services and supplies, **$18.6** million in capital project funds, **$5.1** million in public service programs, **$3.2** million in debt service payments and **$0.9** million in financial transactions.

Locally, the elimination of redevelopment has resulted in the loss of approximately $54 million annually to the Sacramento region. Assembly Bill x1 26, enacted on June 29, 2011 for the express purpose of eliminating California redevelopment agencies, was upheld by the California Supreme Court on December 29, 2011. Accordingly, as of February 1, 2012, all redevelopment agencies in California, including the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento, ceased to exist and successor agencies were appointed to wind down the affairs of the former redevelopment agencies.

At the federal level, the emphasis on reduced spending for "discretionary" programs, which began in 2011 and continued in 2012, leaves a high level of uncertainty for 2013. The proposed budget for 2013 was developed based upon the multiple proposals put forth by the President and the various committees within congress. Based upon that information, federal funding for 2013 would be relatively status quo compared with 2012; however, the approach of the "fiscal cliff' at the end of 2012 and the potential across the board cuts of 8.2 percent as result of the automatic cuts ("sequestration") that apply under current law to the 2013 federal budget offer little in the way of certainty. Given the wide range of possibilities regarding federal funding, we do not expect to gain certainty about next year's federal

Sacramento Housing & Redevelopment Agency 801 12th Street | Sacramento, CA 95814 | www.shra.org

funding levels until at least the end of the year, and more likely the first quarter of 2013.

In light of these uncertainties, we have elected to move forward with the operational cuts necessary to address the elimination of redevelopment and the reduction of federal funding in 2012, but have estimated 2013 federal funding consistent with the reduced levels received in 2012.

We elected this course because we did not want to impose the extent of cuts that might be required under current law without greater certainty as to the outcome of Congress' debate on automatic cuts to discretionary programs. Given these unknown outcomes, it is highly likely our 2013 Proposed Budget may require amendment in the first or second quarter of next year.

Some of the guiding principles used to develop the Agency's budget include:

- Protecting "core services" to the greatest extent possible, with delivery of housing programs, public services and capital projects being a major priority;
- Managing program activities by focusing on the efficiency of program delivery and the maximization of results;
- Consideration of the overall financial health of the organization, not just the cash flow from year to year;
- Using partnerships with community based organizations and private entities whenever practicable; and
- Developing budget plans that deal with the immediate needs of the Agency and employ strategies that address the long-term needs of the communities we serve.

Challenges:

Based on the current political climate, we expect continuing retrenchment in federal funding for low income housing and safety net services. There seems to be little Congress can agree on, but there is bipartisan acceptance that reducing the deficit is an imperative for our long term economic well-being. The questions on which the parties differ are how fast and who pays. The budget ceilings the Congress and President have already adopted for discretionary programs from 2013 through 2021 show decreases over the next few years and essentially flat funding over the remainder of the decade.

- The upcoming fiscal cliff of tax increases and sharp cuts in federal spending all pose significant threats to our community and the mission of the Agency.

- Short of these significant factors, modest continued recovery is expected in 2013. Housing construction has increased slightly and construction unemployment appears to have reached its nadir. Home prices have inched up, along with sales, given continuing low interest rates.

- Sacramento's unemployment rate at 10.4 percent in August, still higher that the US rate of 7.8 percent.

- Both State and local government budgets and employment remain stagnant or declining.

Despite the new economic environment we operate in today, we have elected to redouble our resolve to continue meeting our mission to provide safe and decent housing to low income people. With this as our focus we are making changes now, next year, and years in the future to meet the challenge of the new fiscal realities. Our 2013 Proposed Budget continues our commitment to meet the fiscal challenges with optimism and strength of purpose.

2012 Accomplishments

Affordable Housing production (completed)

- La Valentina - 81 units
- Studios at Hotel Berry - 105 units
- Foothill Farms Senior Apartments - 138 units
- Edge Water Apartments (626 I Street) - 108 units
- Forrestwood at Folsom Family Apartments - 55 units
- Villa de Novo - 17 units

Affordable Housing production (under construction)

- The Arbors at Oak Park Senior Housing - 55 units
- Kelsey Village - 20 units for low income adults and developmentally disabled individuals
- 7th and H Street - 150 units (includes 75 units Permanent Supportive Housing for formerly homeless individuals)

Neighborhood Stabilization Program (NSP)

- 360 housing units impacted (101 very low income)
- Program has leveraged $21 million in non-NSP funding
- 45 active development partners
- Over 800 jobs retained and 84 new jobs created

Commercial/Infrastructure (completed)

- Auburn Boulevard Enhancements Project
- Freedom Park Drive Enhancements Project (County's first Green Street)
- 630 I Street (HCV/Conventional Housing Intake Services) 125 jobs created

Housing Choice Voucher Program

- Despite this series of challenges and uncertainty, the Agency continues to deliver a very successful Housing Choice Voucher program (HCV) program. In 2012, the Agency is expected to maintain 98 to 100 percent leasing of our HUD vouchers, providing rental assistance to 11,762 families each month.

Public Housing Program:

- The Public Housing program continues to make significant progress improving overall operating performance. Over the past five years, the Agency has reduced the public housing operating deficit through aggressive operational cuts, implementation of our asset repositioning strategy and through capital investments in our public housing properties. The PHA has invested over $17 million in capital improvements to public housing units over the last two years.

- The asset repositioning strategies employed by the Housing Authority over the last three years have been successful. In June 2010, two elderly high-rise properties, 153 units in all, where transferred to the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), a non-profit component unit of the Agency. The repositioned properties were awarded project based vouchers which provide market rate revenue for the properties. In 2012, HUD also approved another disposition application for Sierra Vista high-rise, a 78 unit senior only development. The Agency is still awaiting the award of the project based vouchers. The impact of the repositioning has increased the annual operating revenue of the properties significantly.

- Also, as a part of the overall repositioning strategy, the Housing Authority applied for and received a $10 million competitive grant funded through the American Recovery and Reinvestment Act (ARRA) to help fund the renovation of the Public Housing high-rise located at 626 I Street. The rehabilitation of the property was completed in 2012 and created 340 jobs.

2013 Outlook:

For the past 5 years, the Agency has managed its way through numerous budgetary challenges including the complete overhaul of the public housing and the Housing Choice Voucher (HCV) programs, federal funding cuts, the decline of property tax revenues and shifting of redevelopment revenues to the State of California, and most recently the outright elimination of redevelopment with the passage of AB x1 26. The 2013 budget is significant because it is roughly 87 percent reliant on federal funding, the outcome of which will not be known for many months.

The elimination of redevelopment, coupled with cuts to federal programs, required the Agency to reduce operational costs through layoffs, staff attrition, transfers, reduced work schedules and cuts to services and supplies.

In total, the 2013 Proposed Budget reflects a decrease of 28 percent compared with 2012 due to the loss of redevelopment funding and the across the board cuts to federal programs in 2011 and 2012. Cumulatively, the Agency has experienced a budget reduction of more than 32 percent compared with 2011.

The budget for Housing Assistance Payments, on the other hand, is expected to increase by 5 percent due to the allocation of additional vouchers from HUD, the assumption of the Shelter Plus Care vouchers from the County of Sacramento Department of Human Assistance (DHA) and the Housing Authority's high voucher utilization levels. Further, appropriations for Public Services are expected to increase 43 percent compared with 2012 due to the transition of funding and administration of the Emergency Shelter Grant and HOPWA programs from the County DHA to SHRA.

While the Agency is proposing to maintain authorized full-time equivalent (FTE) positions at 253, the loss of redevelopment funding combined with cuts to our federal programs necessitate that 38.8 FTE positions remain unfunded for 2013. Reductions were achieved through the unfunding of vacant positions, employee layoffs and position reclassification and downgrades.

The Agency further proposes to implement three additional closure days during 2013 in conjunction with the Agency's year-end closure schedule and to make additional cuts to services and supplies for added operational savings.

The estimated savings associated with these measures is a $4.2 million reduction in operational costs. The proposed cuts represent a 14 percent reduction in salaries, benefits and a 6 percent reduction in services and supplies compared with 2012. Since 2011, the Agency has cumulatively reduced the salaries and benefit costs of the Agency by over $6.8 million or 25 percent and services and supplies by $1.5 million or 9 percent in response to the State's elimination of redevelopment and the cuts to federal programs.

Since 2008 the Agency has worked to restructure and re-engineer the organization requiring an analysis of span of control (number of employees reporting to management), process improvements, service level expectations and implementing initiatives that streamline and consolidate services and functions. Many of the initiatives have been implemented and have resulted in a much more cost effective and efficient organization.

As more information becomes available regarding the magnitude of federal funding cuts, the Agency will implement additional measures to meet the new challenges.

Although the Agency is operating through a period of economic uncertainty, with your leadership and support, we will continue to bring forward award-winning projects and to invest in community revitalization activities through effective partnerships that improve Sacramento's quality of life.

Sincerely,

La Shelle Dozier
Executive Director

RESOLUTIONS

(Resolutions to be included upon final adoption)

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SECTION B

FINANCIAL MANAGEMENT POLICIES

FINANCIAL MANAGEMENT POLICIES

Revenue Policy

- Revenues will be conservatively estimated using the best information available, and the Agency will strive to maintain a stable revenue system and operating structure that protects the Agency from short term fluctuations in individual revenue sources.

- Intergovernmental assistance in the form of grants and loans will be used to finance only capital projects or programs that can be sustained over time or have a limited horizon.

- In general, one-time revenues will be used only to support capital projects or other non-recurring expenditures. One-time revenues may be used for operating programs provided that longer term financial planning is addressing any imbalances between operating revenues and expenditures.

Debt Policy

- It is the intent of the Agency to issue debt in a manner that adheres to state and federal laws, existing bond covenants and prudent financial management.

    - Minimize debt service and issuance costs
    - Maintain the highest practical credit rating
    - Evaluate the cost effectiveness of all potential borrowings

- In general, when the Agency finances redevelopment projects using tax allocation bonds, it will pay back the bonds within a period that is consistent with the useful life of the projects financed with the bond proceeds.

- The Agency will not use long-term debt financing for any recurring purpose such as current operating and maintenance expenditures. While the Agency does not anticipate issuing any short-term debt instruments such as tax or bond anticipation notes, these financing instruments shall be excluded from this limitation.

- The Agency will diligently monitor its compliance with bond covenants and ensure its adherence to federal arbitrage regulations.

    - Full and timely repayment of outstanding debt
    - Compliance with continuing disclosure requirements

Interdepartmental Charges / Indirect Cost Recovery

The Agency currently utilizes an internal service fund for the following purposes:

- Support Services: to accumulate resources in the form of fees for service which are charged to operating departments for the costs of support services and for the replacement of equipment serving the entire organization.

- Insurance: to accumulate resources for payment of insurance premiums, deductibles, and loss reserves.

- Capital Facilities: to accumulate resources for the maintenance, repair and debt payments of the Agency administrative building.

- Payroll Fund: to accumulated resources to pay for employee payroll and benefit costs as well as the costs of future post-retirement medical benefits.

Annual Audit

The Agency is required to have an independent audit performed annually by a qualified independent accounting firm.

The independent auditing firm will be selected by the Agency based on a competitive proposal process and the selection will be approved by the City Council and the County Board of Supervisors

Budget Policies and Procedures

The Agency is a joint powers authority formed by the City and County of Sacramento, and the annual budget is prepared on a calendar year basis. Initially, the Executive Director is required to submit a proposed budget to the Agency advisory board, the Sacramento Housing and Redevelopment Commission for their recommendation. The budget is then submitted for approval to the Sacramento City Council, sitting as the City Council, and the Housing Authority of the City of Sacramento. Simultaneously, the budget is also submitted for approval to the Sacramento County Board of Supervisors, sitting as the County Board of Supervisors and the Housing Authority of the County of Sacramento. The budget submitted is required to be a balanced budget either through the matching of ongoing revenues with proposed expenditures or through the use of existing fund balances.

FINANCIAL MANAGEMENT POLICIES

Budget Basis

The basis of the budget refers to when revenues and expenditures are recognized in the funds. Governmental funds recognize revenues when they become measurable and available and expenditures are generally recognized when the related liability is incurred. Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when incurred.

Responsibility

Each department's management team is responsible for preparing the individual departmental budget requests in accordance with the guidelines provided by the Executive Director and Director of Finance. The Finance Department provides each department with cost experience data and assists departments in addressing issues related to funding availability. The Finance Department prepares all revenue, debt service and financial transaction estimates.

Budget Review

During the budget review process, the Executive Director, in conjunction with the Finance Department, analyzes new positions, operating and capital budget requests. This information is then compiled and the Executive Director or Director of Finance holds meetings with each department, as needed, to review their expenditure request for the proposed budget year. At the completion of these meetings, the Finance Department again compiles all the financial data and the Director of Finance presents the proposed budget to the Executive Director for review.

Budget Adoption

The Executive Director presents, via publicly noticed sessions, the budget to the governing boards. Three publicly noticed budget workshops are conducted at the Sacramento Housing and Redevelopment Commission prior to submission of the proposed budget to all governing boards for approval.

Budget Implementation

A budgetary control system is maintained to ensure compliance with the budget. The Finance Department is responsible for setting up the budget for tracking purposes and is charged with ensuring fund availability during the year to cover expenditures and appropriations. Reports comparing the budget with expenditures are generated and posted for review by departments on a monthly basis.

Budget Control

The Agency budget is controlled at the fund group level. Except as provided in the enclosed budget resolutions, no expenditure will exceed the approved budget.

Accounting Structure and Principles

Accounting System

In developing and evaluating the Agency's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a specific control feature should not exceed the benefits likely to be derived and the evaluation of costs and benefits require estimates and judgments by management.

All evaluations of the Agency's internal control will continue to occur within the above framework. The Agency's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Basis of Accounting

Special revenue and other governmental fund types are accounted for on a modified accrual basis. Under the modified accrual basis, revenue is recognized when susceptible to accrual (e.g., when it becomes both measurable and available).

"Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter to pay current liabilities. This is generally within sixty (60) days after the end of the fiscal year. Expenditures are recognized when the related fund liability is incurred.

Proprietary funds (enterprise and internal service funds) are accounted for on an accrual basis. Under this method, revenue is recognized when earned and expenses are recognized at the time the liability is incurred.

Fund Descriptions

The Agency's accounting records are organized and operate on a "fund" basis, which is the basic financial accounting entity in governmental accounting. The accounting system is designed to enable the use of these types of funds. Each fund is designed by fund type and classification:

- Proprietary Funds: Enterprise and Internal Service
- Governmental Funds: Special Revenue, Debt Service and Capital Projects
- Account Groups: Capital Assets and Long-Term Debt

Proprietary Funds

Generally Accepted Accounting Principles (GAAP) applicable to a private commercial business is applicable to proprietary funds of a governmental entity. The accrual basis of accounting is utilized. The measurement focus is based upon a determination of net income, financial position and cash flows. Accordingly, basic financial statements are

required, such as the balance sheet, the statement of revenues, expenses and changes in retained earnings (deficit), and the statement of cash flows.

Enterprise Fund: accounts for operations that are financed and operated in a manner similar to private enterprises, where the intent is that the cost of providing goods or services is recovered primarily through user charges.

Internal Service Fund: accounts for activities involved in rendering services to departments within the Agency. Costs of materials and services used are accumulated in these funds and are charged to the user departments as such goods are delivered or services rendered.

Governmental Funds

Governmental Funds are used to account for the Agency's expendable financial resources and related current liabilities, except for those accounted for in proprietary funds. The basic financial statements necessary to fairly present financial position and operating results for governmental funds are the balance sheet and the statement of revenues, expenditures and changes in fund balance. Governmental funds are maintained using the modified accrual basis of accounting.

Special Revenue Fund: accounts for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.

Debt Service Fund: accounts for accumulation of resources for, and payment of, interest and principal on long-term debt.

Capital Project Fund: accounts for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Account Groups

Account Groups are used to establish accounting control and accountability for the Agency's capital assets and long-term debt.

Capital Assets Account Group: accounts for long-term assets of the Agency, except for those accounted for in proprietary fund types.

Long-Term Debt Account Group: accounts for long-term debt of the Agency, except for debt accounted for in proprietary fund types.

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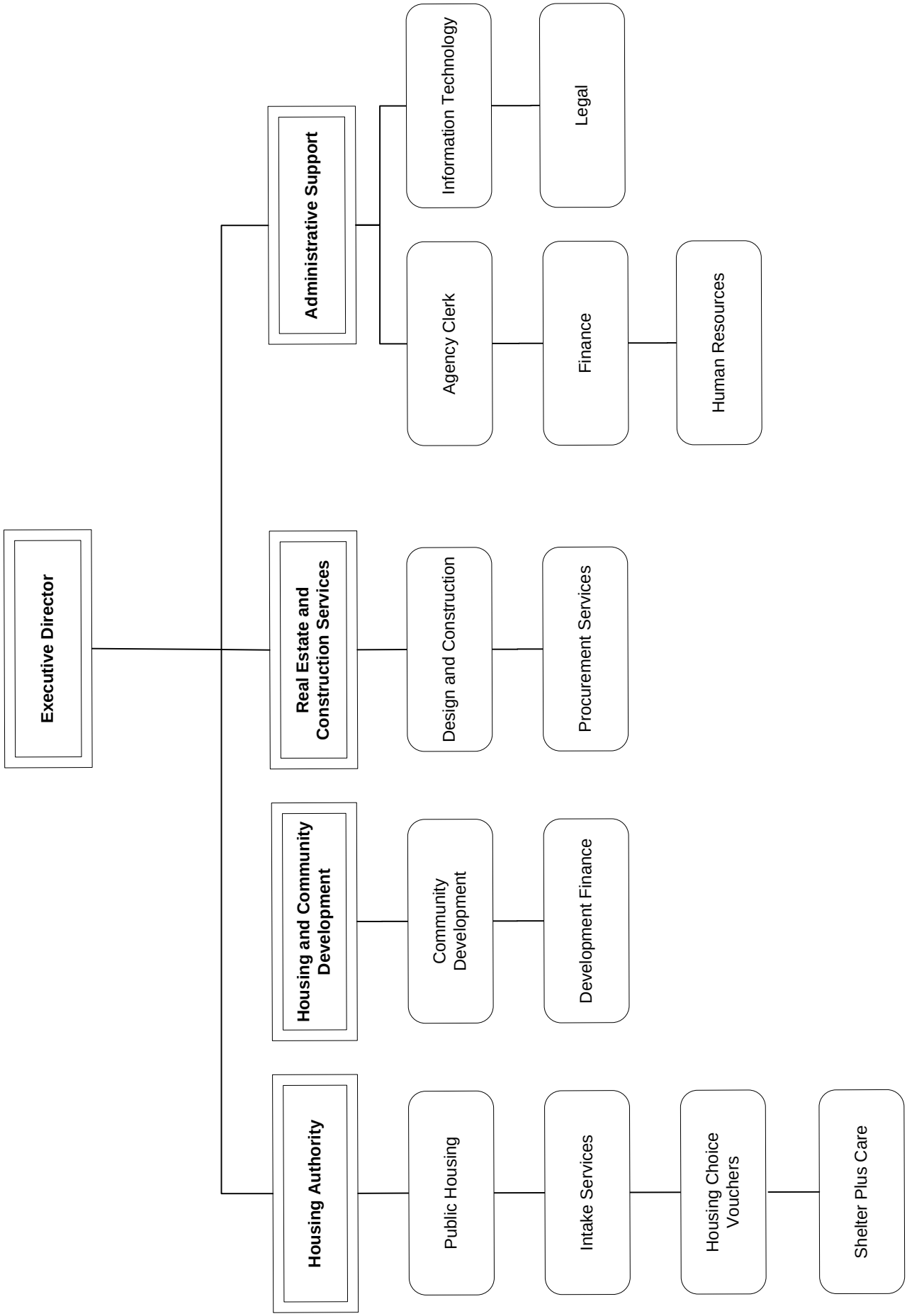
SECTION C

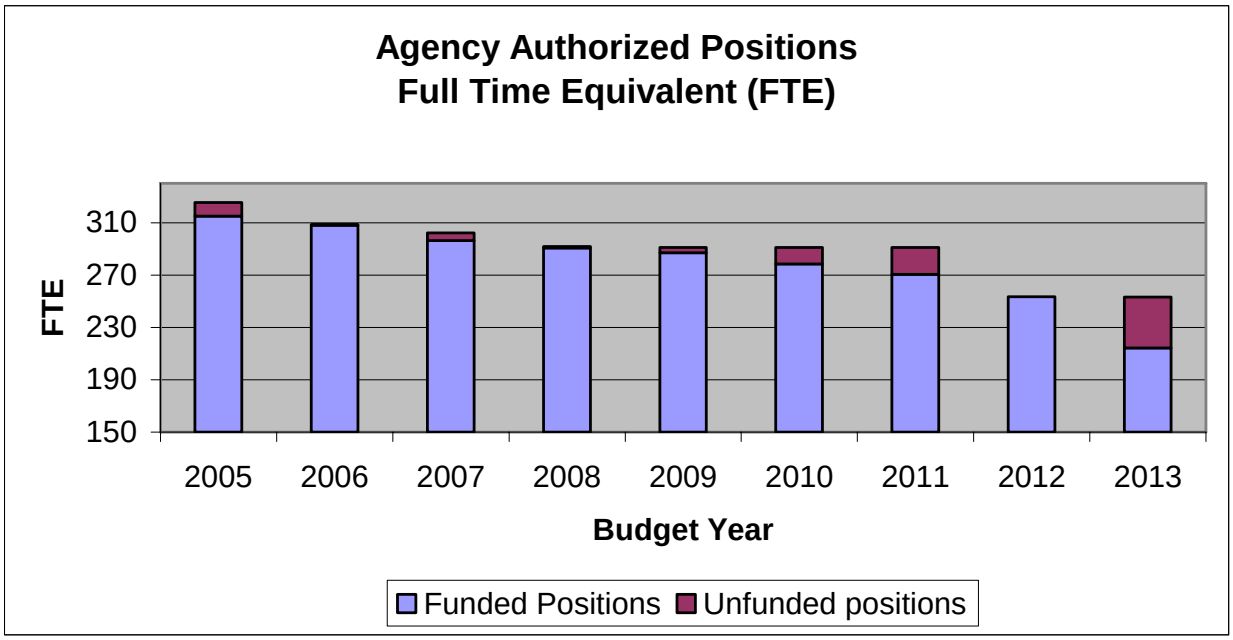
BUDGET SUMMARIES


Executive Director
Administrative Support
Information Technology
Legal
Agency Clerk
Finance
Human Resources
Real Estate and Construction Services
Design and Construction
Procurement Services
Housing and Community Development
Community Development
Development Finance
Housing Authority
Public Housing
Intake Services
Housing Choice Vouchers
Shelter Plus Care

SHRA

Summary of Full Time Equivalent (FTE) Positions By Department

The 2013 budget maintains full time equivalent positions (FTE) at 253, but recommends that 38.8 authorized positions be left unfunded for the 2013 budget. Reductions were achieved through the unfunding of vacant positions, employee layoffs and position reclassification and downgrades. In total, the Agency has reduced authorized FTE positions by 22 percent since 2005 when the Agency had 325 FTE positions.



SHRA

Summary of Full Time Equivalent (FTE) Positions By Department

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Executive Director	4.00	5.00	5.00	0.00
Legal	5.00	4.00	4.00	0.00
Human Resources	6.00	6.50	6.00	-0.50
Risk Management*	1.00	0.00	0.00	0.00
Finance	16.00	14.00	14.00	0.00
IMTS	10.00	8.00	8.00	0.00
General Services*	1.00	0.00	0.00	0.00
Agency Clerk	2.50	2.50	2.00	-0.50
Subtotal Administrative Support	45.50	40.00	39.00	-1.00
Public Housing	92.40	93.40	94.90	1.50
Public Housing Intake	4.50	5.25	4.50	-0.75
Subtotal Public Housing	96.90	98.65	99.40	0.75
Housing Choice Vouchers	56.60	59.60	60.60	1.00
Housing Choice Vouchers Intake	2.50	1.75	3.50	1.75
Subtotal Housing Choice Vouchers	59.10	61.35	64.10	2.75
Community Development	22.00	14.00	14.00	0.00
Development Finance	27.00	18.00	17.50	-0.50
Policy and Planning**	4.00	0.00	0.00	0.00
Subtotal Housing and Community Development	53.00	32.00	31.50	-0.50
Real Estate and Construction Services	3.50	2.00	14.00	12.00
Procurement Services	10.00	5.00	5.00	0.00
Construction and Design Services***	11.47	8.00	0.00	-8.00
Real Estate Services***	4.00	0.00	0.00	0.00
Public Housing Design and Construction Services***	5.53	4.00	0.00	-4.00
Subtotal Real Estate and Construction Services	34.50	19.00	19.00	0.00
Community Social Services	2.00	2.00	0.00	-2.00
Total	291.00	253.00	253.00	0.00

*Risk Management and General Services are included in the Human Resources Department.
**Policy and Planning is included in the Executive Director Department.
***Real Estate Services, Construction and Design Services and Public Housing Design and Construction Services are included in the Real Estate and Construction Services Department.

SHRA

Summary of Full Time Equivalent (FTE) Unfunded Positions By Department

Department	2013 Budget
Executive Director	2.00
Legal	2.00
Finance	3.20
IMTS	2.20
Agency Clerk	0.20
Subtotal Administrative Support	9.60
Public Housing	2.00
Housing Choice Vouchers	6.00
Community Development	7.00
Development Finance	8.00
Subtotal Housing and Community Development	15.00
Real Estate and Construction Services	5.20
Procurement Services	1.00
Subtotal Real Estate and Construction Services	6.20
Total	38.80

Enterprise Funds – Housing

Public Housing:

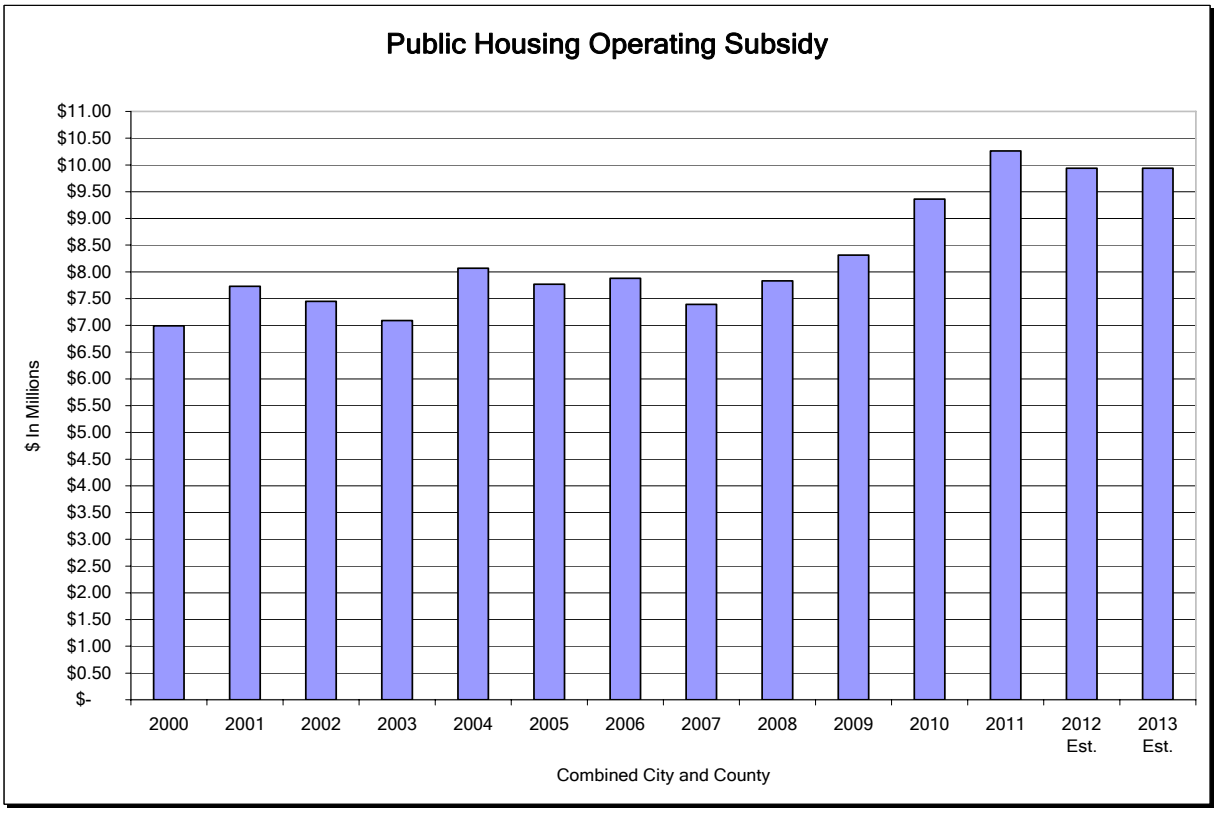
The Agency owns and manages approximately 3,494 housing units within the City and County of Sacramento. Approximately 3,068 of the units were developed under the federal public housing program administered by the Department of Housing and Urban Development (HUD) and are located throughout the Sacramento region with (2,021 units) in the City and (1,047 units) in the County. Of those units, approximately 1,000 units are designated as elderly and/or disabled only with the remaining units available to families. Program revenues are generated from tenant rent collections and operating subsidies provided by HUD. The amount of rent paid by the tenants is based on 30 percent of gross family income minus certain other adjustments. In addition to the public housing units, the Housing Authority manages another 426 units of local non-public housing.

Revenue Estimate

The average occupancy rate in the Public Housing program is in the mid 90's for public housing properties available to be leased. The recent decline in rents is due to several factor including: 1) the vacancies in 626 I Street associated with the Agency's relocation from the commercial space and the relocation of the tenants for the planned rehabilitation of the site, 2) the disposition of public housing units sold under the HUD 5h/Section 32 program, 3) the disposition of the Washington, Sutterview and Sierra Vista high-rises to the Agency affiliated non-profit the Sacramento Housing Asset Repositioning Program, Inc. (SHARP), 4) vacant and boarded units being sold under the NSP PRP program and 5) the reduction in TANF and SSI income to PHA tenants which reduces the tenants share of the rental payments (30% of income). Rent revenues are expected to improve beginning in late 2012 as both the commercial and residential floors of 626 I Street is brought back online.

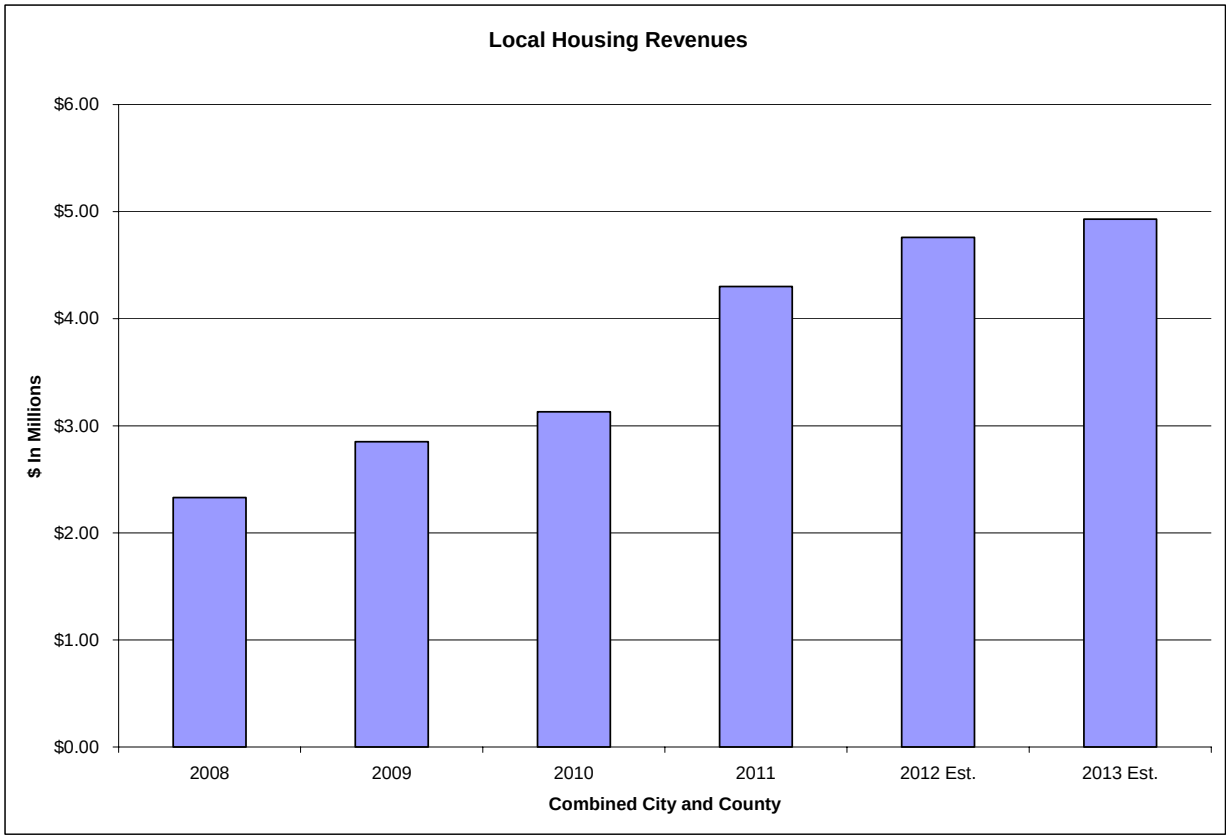
HUD Operating subsidy levels have risen in recent years with federal appropriations for the program reaching as high as 103% of funding eligibility in 2010 and 100% in 2011. However, since program funding is determined annually, the level of subsidy receive from HUD can be very volatile from year to year depending upon the federal appropriations process in Washington. Base upon the first 8 months of 2012, we expect to receive only 96% of our 2012 funding eligibility and have targeted a similar level of prorate for 2013.

Public Housing Rent
$ In Millions
$8.00
$7.50
$7.00
$6.50
$6.00
$5.50
$5.00
$4.50
$4.00
$3.50
$3.00
$2.50
$2.00
$1.50
$1.00
$0.50
$0.00
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012 Est.
2013 Est.
Combined City and County


Public Housing Operating Subsidy
$ In Millions
$11.00
$10.50
$10.00
$9.50
$9.00
$8.50
$8.00
$7.50
$7.00
$6.50
$6.00
$5.50
$5.00
$4.50
$4.00
$3.50
$3.00
$2.50
$2.00
$1.50
$1.00
$0.50
$-
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012 Est.
2013 Est.
Combined City and County

Public Housing (Non-Federal):

While the public housing units have shown decreases in both rents and operating subsidy, the Agency's local housing projects, units not regulated by HUD, have shown positive revenue trends. The primary reason for this change is the implementation of the Housing Authority's asset repositioning strategy that has moved two Public Housing high-rise buildings to the Sacramento Housing Authority Asset Repositioning Program, Inc. (SHARP), and the increased usage of project based vouchers on many of the non-federal units.



Housing Choice Voucher Program (HCV):

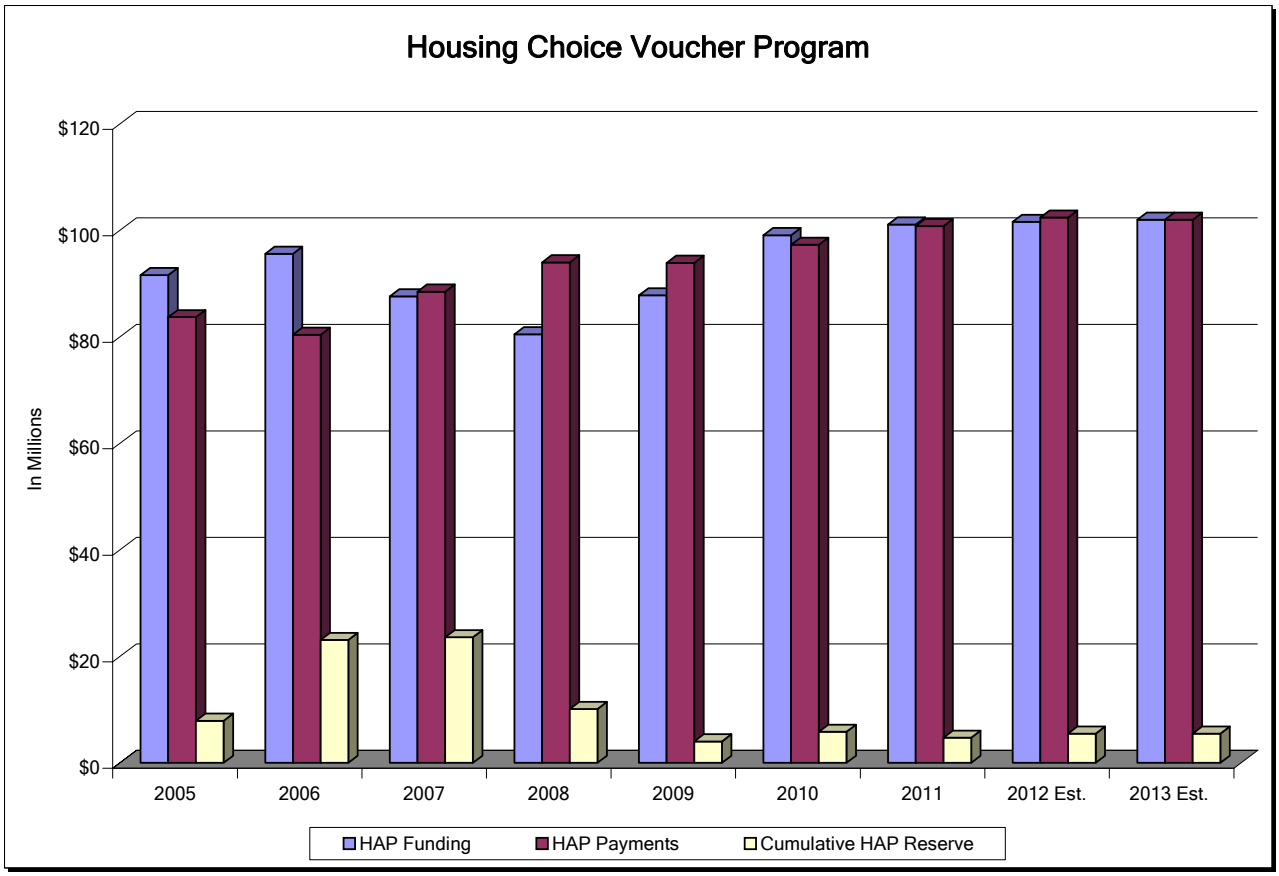
The Housing Choice Voucher (formerly Section 8 Housing Assistance) program is funded by the U.S. Department of Housing and Urban Development (HUD) through Annual Contribution Contracts (ACC). The Agency administers this program on behalf of the Housing Authority of the County of Sacramento. The Housing Choice Voucher program permits the applicant to obtain housing in the private rental market using housing vouchers. The program participants pay a portion (an adjusted 30 percent of gross family income) of the lease rate to the owner and the remaining rent amount is paid by the Agency. Participants can utilize their voucher anywhere in the City or County of Sacramento.

Revenue Estimate

Revenue under the HCV program is received from HUD in the form of Housing Assistance Payments (HAP) and Administrative Fees (AF). The federal appropriations process dictates the amount of funding that will be allocated to the HCV program on a national level. Jurisdictional funding allocations are performance based, with the funding level determined by the number of authorized vouchers leased. Currently, the Agency's HCV program has 11,762 housing choice vouchers authorized for leasing each month and the program has maintained leasing levels in excess of 98 percent since 2008. The high utilization level of vouchers makes the program eligible for maximum funding from HUD. Despite the fact that the Agency is entitled to maximum funding for the program, HUD has intentionally provided less funding than required to cover HAP costs in an effort to recapture accumulated HAP reserves from public housing authorities across the country. In 2008 and 2009 HUD intentionally recaptured HAP reserves leaving the Housing Authority with approximately two weeks of reserves; therefore, managing leasing levels becomes exceptionally important.

2013 funding for HAP is expected to cover our actual HAP costs provided federal appropriations for the program remain the same. However, 2012 administrative funding for the program appears to be headed for a 5% reduction compared with prior year. We anticipate no further reduction to funding for 2013 based upon the information currently coming out of Washington D.C.

Major Revenue Description, Trends And Estimates



Other Governmental Funds (Special Revenue):

Community Development Block Grant (CDBG):

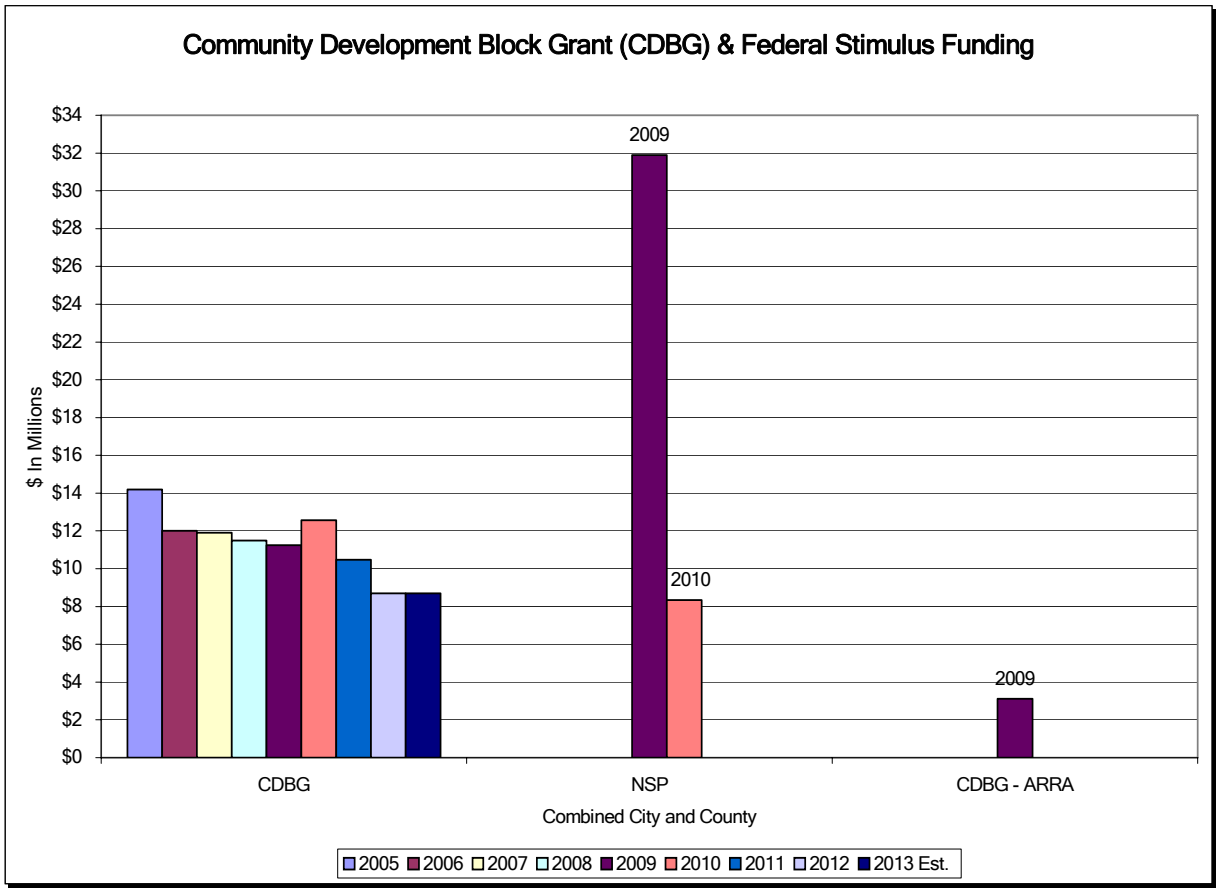
This is a federal entitlement program provided to communities annually for the benefit of low-income persons through housing improvement, public improvements, economic development, public service and elimination of blighting conditions. Areas of Sacramento which are low-income and extremely physically blighted have been selected for targeted CDBG assistance in the areas of capital improvements, housing preservation and renovation, and economic development and commercial revitalization activities. These funds must be used to augment but not replace local funds and responsibilities.

Also included on the chart are the one time federal stimulus funds provided to the Agency under the Housing and Economic Recovery Act (HERA) of 2008. In the first round of funding, the Agency received $31.8 million of funding for the Neighborhood Stabilization Program (NSP) to assist with the acquisition and/or rehabilitation of foreclosed properties in the City and County of Sacramento. In 2010, HUD announced that the Agency would receive an additional $8.3 million in NSP Funding.

Further, the Agency received $3.12 million in additional CDBG funding under the American Recovery and Reinvestment Act of 2009.

Revenue Estimate

The annual HUD CDBG entitlement budget is allocated to cities and counties based on a formula comprised of several measures. The Agency receives grants for both the City of Sacramento and the County of Sacramento. From 2010 to 2012 CDBG appropriations have been cut by 31%. For 2013, current proposals reflect a level of funding consistent with 2012 funding levels.

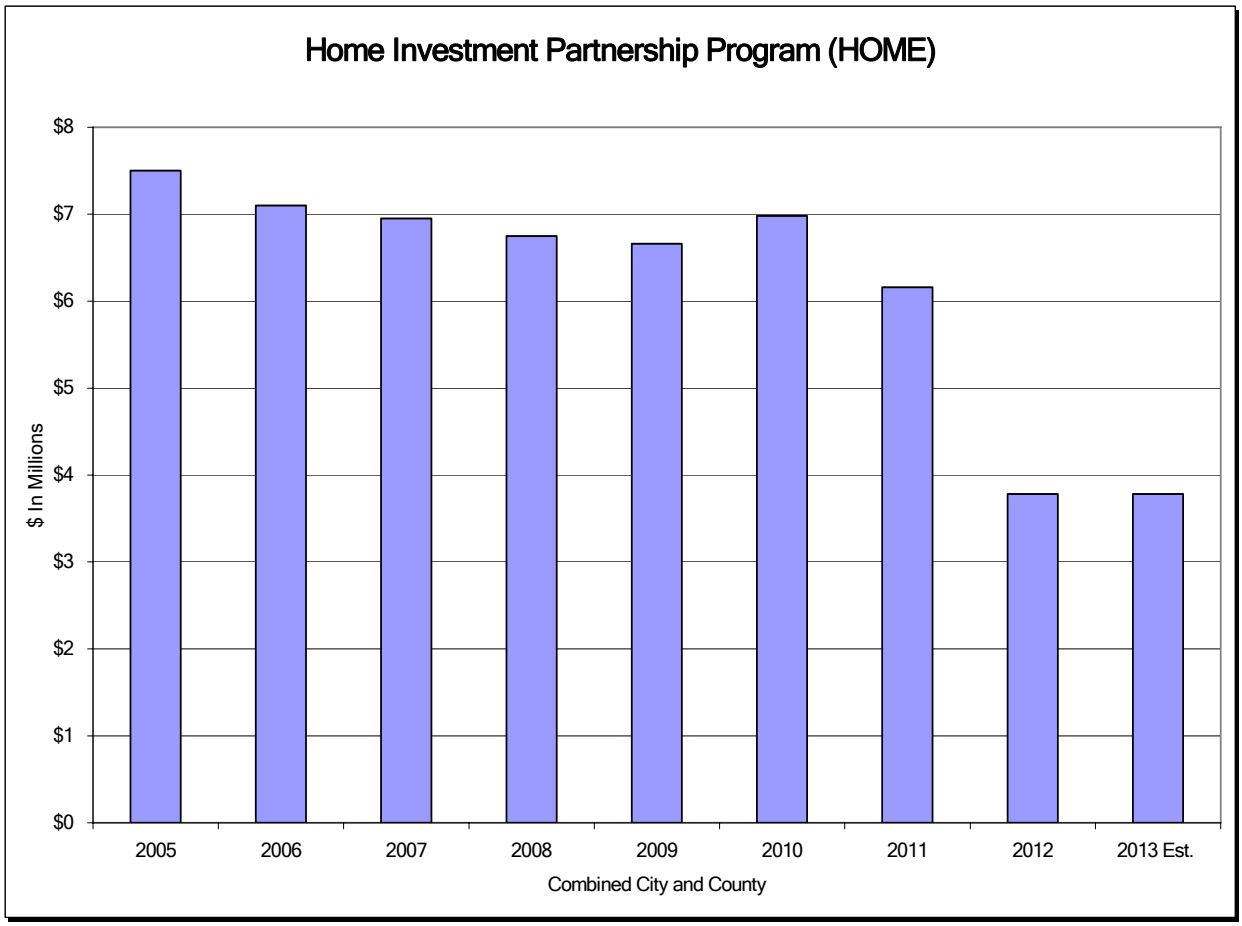

Community Development Block Grant (CDBG) & Federal Stimulus Funding
$ In Millions
$34
$32
$30
$28
$26
$24
$22
$20
$18
$16
$14
$12
$10
$8
$6
$4
$2
$0
2009
2010
2009
CDBG
NSP
CDBG - ARRA
Combined City and County
2005 2006 2007 2008 2009 2010 2011 2012 2013 Est.

Home Investment Partnership Program (HOME):

This program provides for the preservation and expansion of affordable housing to very low and low-income persons. Housing developers and sponsors (both for-profit and non-profit) apply to SHRA for funding. In the past, HOME funds have assisted families in purchasing their first home, renovated deteriorating housing units and assisted in special housing programs.

Revenue Estimate

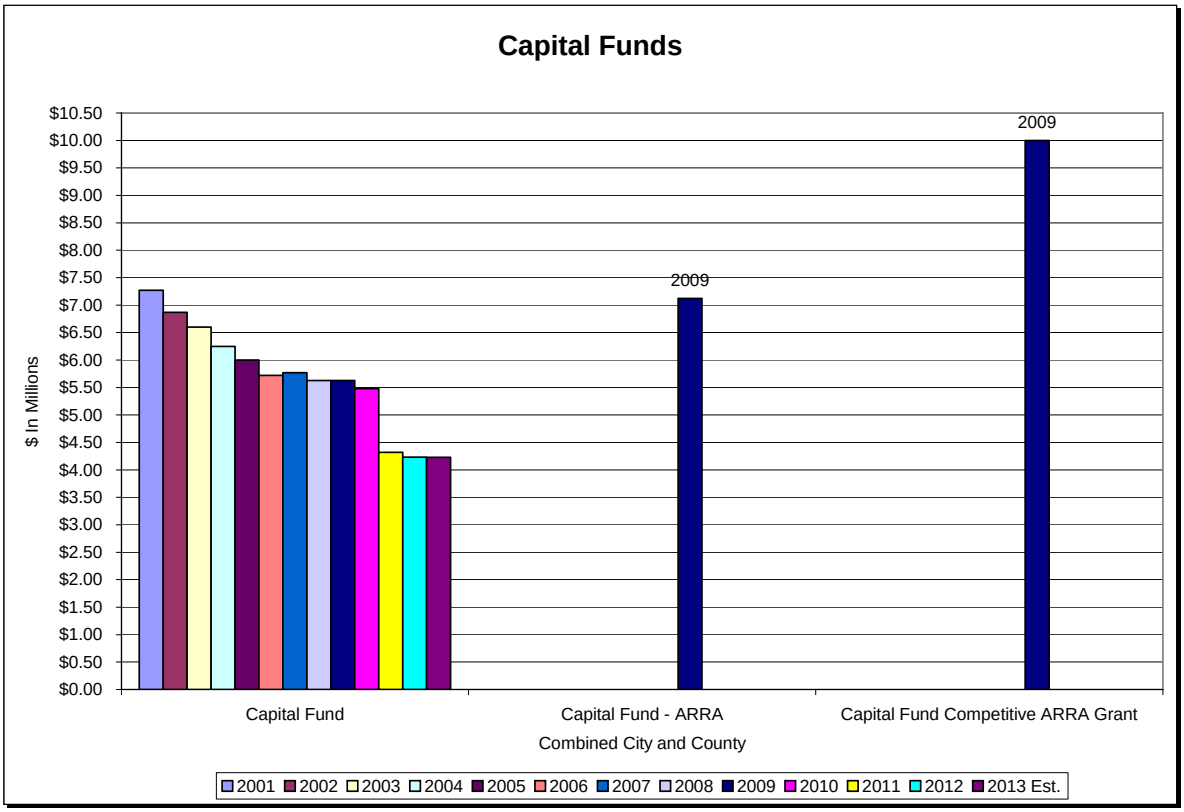
The annual HUD HOME budget is allocated to states and participating jurisdictions as formula grants. The Agency receives HOME entitlement for both the City of Sacramento and the County of Sacramento. Funding has remained fairly level for the last several years, but since 2010 appropriations for HOME have declined by 46%. Current federal funding proposal reflect status quo funding levels for 2013. Estimates are generally based on the current year grant amounts and adjusted as needed based upon Federal appropriation proposals.



Other Governmental Funds (Capital Project Funds):

Capital Fund Program:

The HUD Capital Fund program provides funding annually via a formula, and program funds are allocated to public housing authorities (PHA) across the nation. Capital Fund grants are intended specifically for the development, financing, modernization, and management improvements for properties owned under the HUD public housing program. The Agency receives funding for the public housing properties owned by the City and County Housing Authorities. In 2012, the federal government cut program funding by 23 percent compared with 2010 level and current proposals reflect status quo funding for 2013. Revenue estimates are based on the current year grant amounts and are adjusted based upon Federal appropriation proposals. Also included on the chart are the one time federal stimulus funds provided to the Agency under the American Recovery and Reinvestment Act of 2009. The Housing Authority received $7.2 million on a formula basis and an additional $10 million under a competitive grant application. The City Housing authority was the only Housing Authority on the west coast to win a competitive award of the ARRA grant funds. The ARRA funds are to be used for the rehabilitation and modernization of public housing units in the portfolio, and the competitive grant funds were awarded for the specific purpose of rehabilitating a residential high-rise located in Downtown Sacramento.

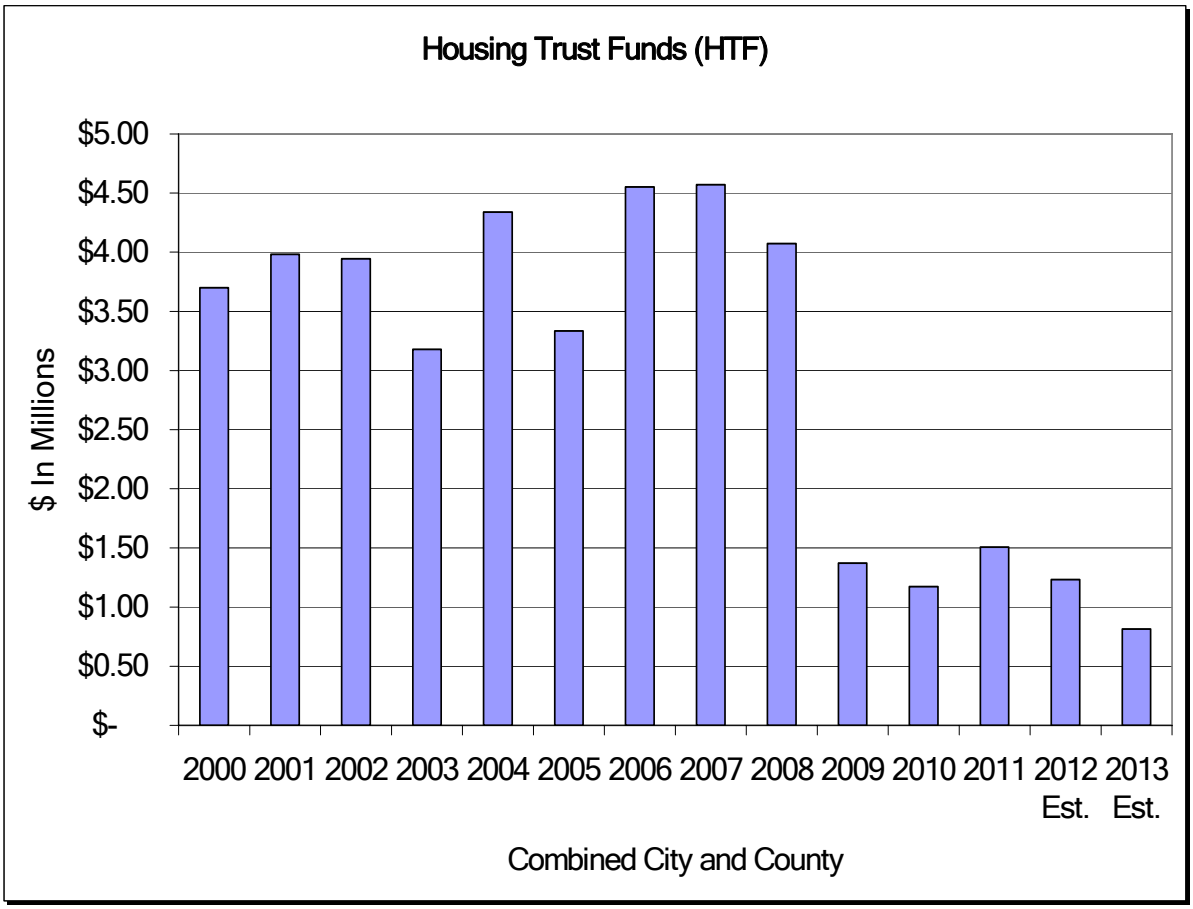


Housing Trust Funds (HTF):

The Agency administers Housing Trust Funds on behalf of the City and County of Sacramento. The City and County of Sacramento adopted ordinances in 1989 and 1990 respectively, for the purposes of generating fees for the development of affordable housing near employment centers. Fees collected from non-residential development are deposited in the Housing Trust Fund, and are used to fund affordable housing projects that are intended to serve the low income workforce employed by the commercial businesses in the surrounding area.

Revenue Estimate

Housing Trust Fund fees have dropped dramatically due to the sharp decline in number of commercial building permits being issued. HTF fees are expected to continue to decline given the current economic pressures impacting commercial construction in the region.



Redevelopment Tax Increment:

The passage of Assembly Bill X1 26 and Assembly Bill X1 27 enacted on June 29, 2011 provided for the elimination of redevelopment unless redevelopment agencies participated in a voluntary alternative redevelopment program that required a substantial payment to the County Auditor-Controller for distribution to taxing entities. AB x1 26 was upheld by the California Supreme Court on December 29, 2011 and Assembly Bill x1 27 was invalidated in its entirety. Accordingly, as of February 1, 2012, redevelopment agencies in California, including the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento, were terminated and successor agencies were appointed to wind down the affairs of the redevelopment agencies in accordance with the provisions of Assembly Bill X1 26.

The elimination of redevelopment resulted in the City and County electing to assume responsibility for the wind down of the former redevelopment agencies. This includes, but is not limited to, the payment of all enforceable obligations, the disposition of property and the servicing of loans.

The Housing Authorities of the City and County of Sacramento administered by the Sacramento Housing and Redevelopment Agency, a joint powers authority, have been named the Successor Housing Agencies and are tasked with the closeout of enforceable housing obligations, primarily housing projects and agreements, as well as ownership of all housing Property and housing Loans of the former redevelopment Agency.

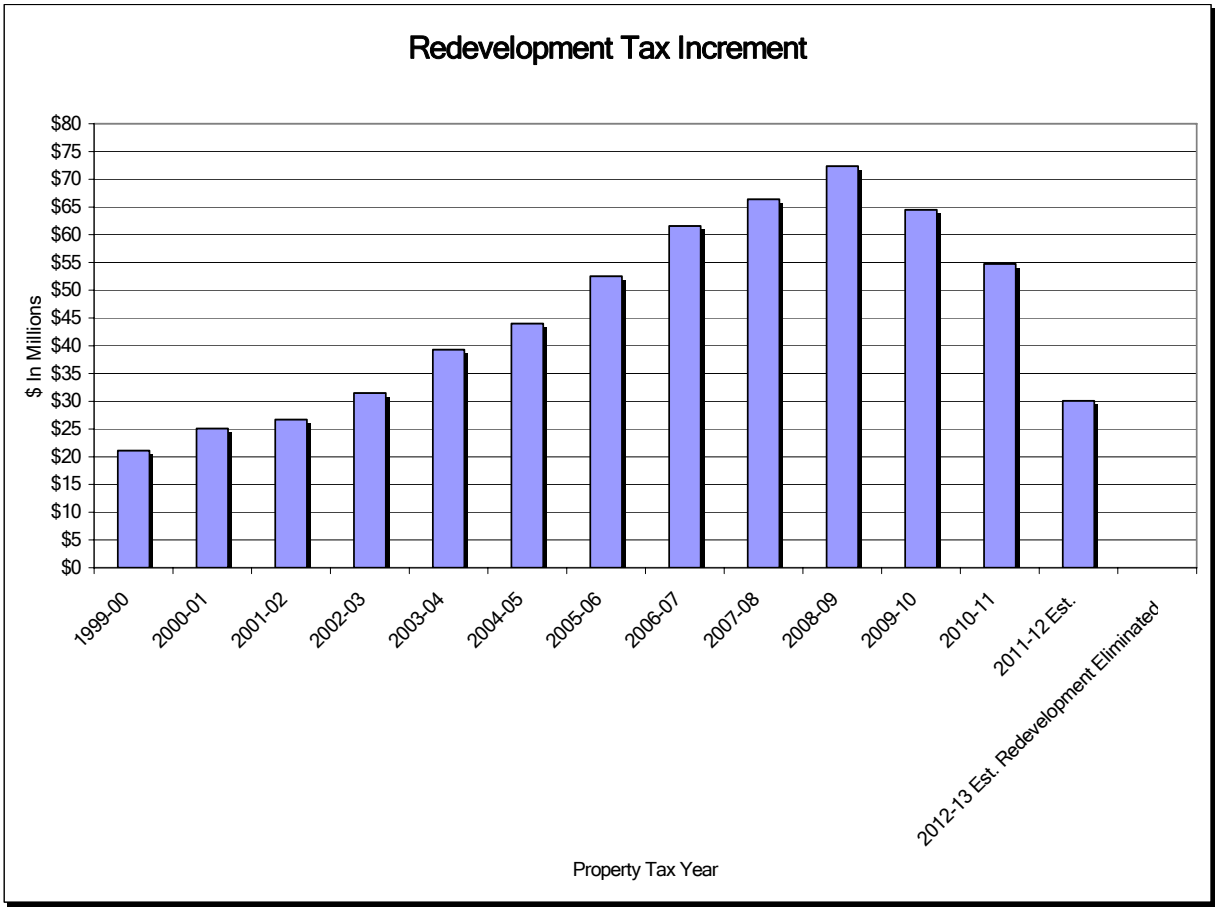
Prior to the elimination of redevelopment, revenues were generated from the incremental property taxes collected from properties within the boundaries of redevelopment project areas. The Agency administers 15 project areas throughout the City and County of Sacramento:

CITY	COUNTY	JOINT
65th Street	Florin Road	Auburn
Alkali Flat	Mather	Franklin Boulevard
Army Depot	McClellan	Stockton Boulevard
Del Paso Heights		
Merged Downtown		
North Sacramento		
Oak Park		
Rail Yards		
River District		

When redevelopment project areas are formed, the property tax values on the tax roll prior to the formation of the project area, become the project area's base year. As

property values in the project area grow, the values in excess of the base year represent the incremental assessed value. The property tax revenues derived from this incremental assessed value are referred to as tax increment revenue. California redevelopment law requires that a minimum of 20 percent of the gross tax increment received be set aside for the development and/or preservation of affordable housing. Due to the implementation of SB211 Plan Extensions, the Merged Downtown and Del Paso Heights redevelopment areas must allocate a minimum of 30 percent to the housing set aside fund. With the exception of the joint project areas, Merged Downtown, River District, and Railyards, the Agency's governing boards adopted a finding of benefit in order to aggregate the majority of the housing set aside funds into two distinct aggregated housing funds, City and County.

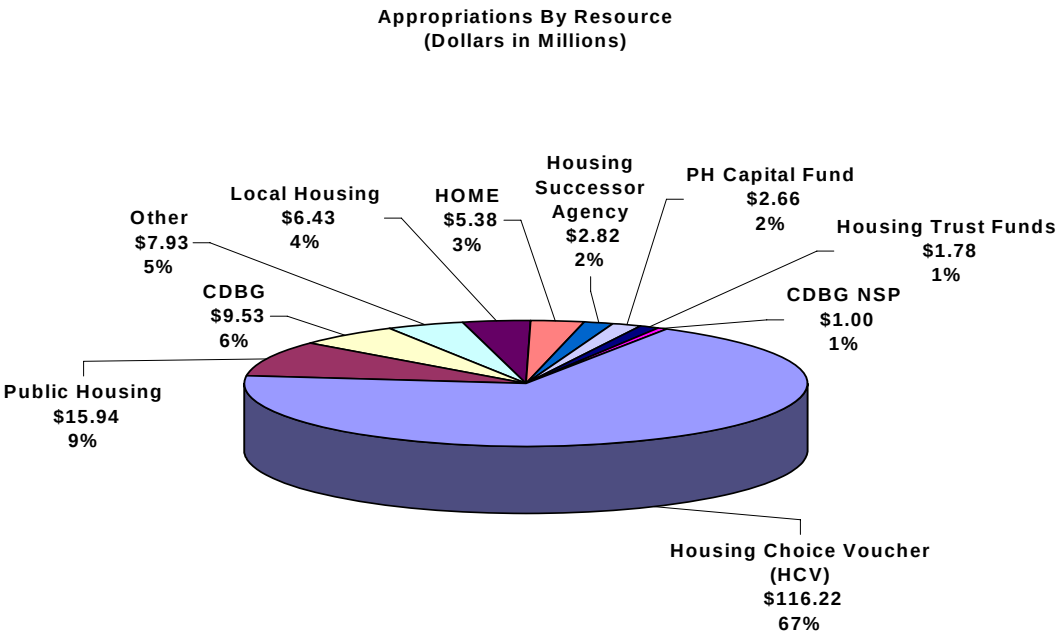
Total tax increment revenue was $30.5 million for the 2011-12 fiscal year and represents fiscal year tax increment collection up to the point of elimination on January 31, 2012.

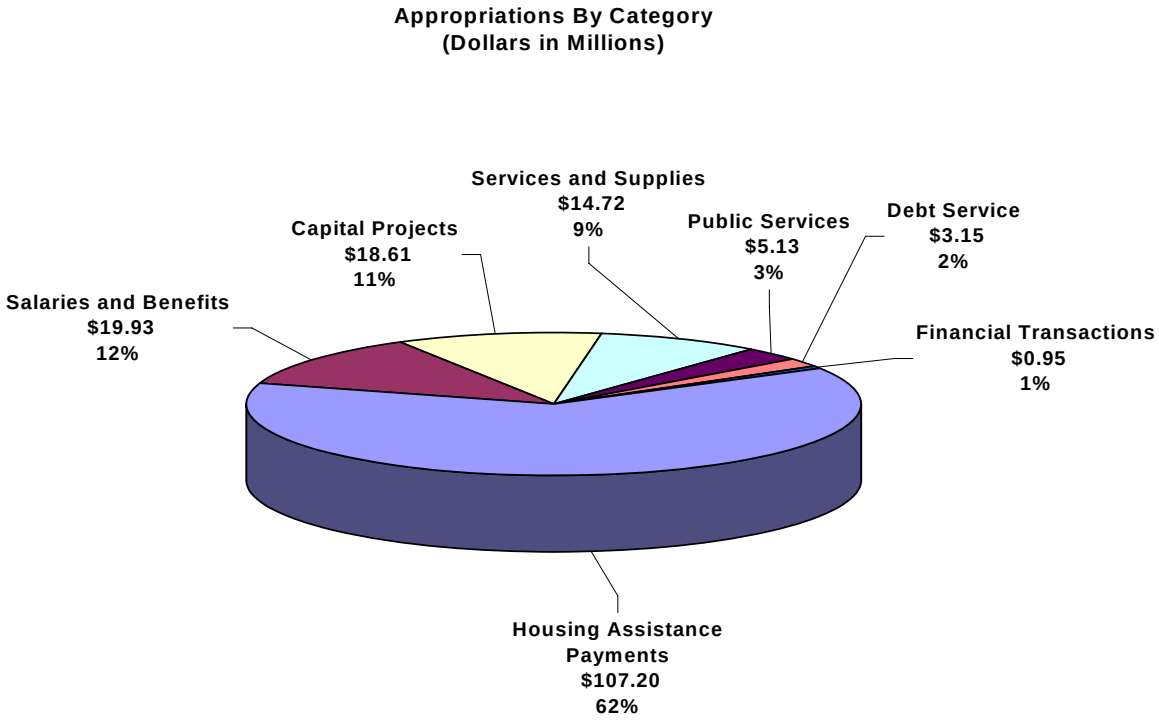


Budget Appropriation Comparison Schedule

	2011 Approved Budget	2012 Approved Budget	2013 Proposed Budget	Variance 2012 to 2013	
				Amount	%
Operations:					
Salaries and Benefits	$ 26,715,275	$ 23,263,447	$ 19,927,391	$ (3,336,056)	-14%
Services & Supplies	16,184,086	15,587,804	14,715,153	(872,651)	-6%
HAPs Payments	97,505,823	101,937,164	107,203,447	5,266,283	5%
Debt Service	39,928,482	42,399,197	3,147,580	(39,251,617)	-93%
Financial Trans./Redevelopment Activities	14,985,998	31,148,392	947,737	(30,200,655)	-97%
Public Services	4,502,050	3,562,536	5,131,797	1,569,261	44%
Total Operations	$ 199,821,714	$ 217,898,540	$ 151,073,105	$ (66,825,435)	-31%
Projects:					
Housing Development and Preservation	$ 29,268,689	$ 10,082,256	$ 10,667,412	$ 585,156	6%
Housing Authority Capital Projects	4,934,853	2,117,112	2,312,436	195,324	9%
Commercial	13,045,476	1,450,725	347,810	(1,102,915)	-76%
Infrastructure and Public Improvements	3,069,853	4,358,469	5,284,237	925,768	21%
Total Projects	$ 50,318,871	$ 18,008,562	$ 18,611,895	$ 603,333	3%
Total Budget	$ 250,140,585	$ 235,907,102	$ 169,685,000	$ (66,222,102)	-28%

SHRA 2013 BUDGET
$169,685,000





2013 Fund Equity Summary

	Enterprise-Housing	Other Governmental	Internal Service	Gross Total	Net Total (1)
RESOURCES					
Estimated Fund Balance - January 1	$ 20,867,333	$ 8,592,658	$ 6,895,846	$ 36,355,837	$ 36,355,837
Interest Revenue	748,577	1,608,360	663,394	3,020,331	3,020,331
Repayment on Loans	281,650	939,192	-	1,220,842	1,220,842
Dwelling Rents	7,628,107	-	-	7,628,107	7,628,107
Grants	9,221,120	20,406,760	84,338	29,712,218	29,712,218
Housing Vouchers - Administration	8,975,633	-	-	8,975,633	8,975,633
Housing Vouchers - HAP	107,203,447	-	-	107,203,447	107,203,447
Miscellaneous	4,477,114	3,698,303	82,210	8,257,627	8,257,627
Interdepartmental Charges	6,264,978	-	5,963,222	12,228,200	-
Net Transfers	(697)	(1,153,761)	1,154,458	-	-
Subtotal Operating Revenues	144,799,929	25,498,854	7,947,622	178,246,405	166,018,205
Defundings	-	750,417	-	750,417	750,417
Gross Resources	165,667,262	34,841,929	14,843,468	215,352,659	203,124,459
Less Interfund Transactions	(6,264,978)	-	(928,428)	(7,193,406)	-
Less Interdepartmental Charges	-	-	(5,034,794)	(5,034,794)	-
Net Resources (1)	**159,402,284**	**34,841,929**	**8,880,246**	**203,124,459**	**203,124,459**
APPROPRIATIONS					
Salaries and Benefits	13,449,279	2,730,927	3,747,185	19,927,391	19,927,391
Services and Supplies	12,499,885	425,981	1,789,287	14,715,153	14,715,153
Housing Assistance Payments	107,203,447	-	-	107,203,447	107,203,447
Debt Service	297,382	1,805,529	1,044,669	3,147,580	3,147,580
Financial Transactions	133,280	71,281	743,176	947,737	947,737
Public Services	659,633	4,472,164	-	5,131,797	5,131,797
Interdepartmental Charges	10,095,557	1,643,726	488,917	12,228,200	-
Subtotal Operating expenditures	144,338,463	11,149,608	7,813,234	163,301,305	151,073,105
Capital Projects	509,805	18,102,090	-	18,611,895	18,611,895
Gross Appropriations	144,848,268	29,251,698	7,813,234	181,913,200	169,685,000
Less Interfund Transactions	(6,264,978)	-	(928,428)	(7,193,406)	-
Less Interdepartmental Charges	-	-	(5,034,794)	(5,034,794)	-
Net Appropriations (1)	**138,583,290**	**29,251,698**	**1,850,012**	**169,685,000**	**169,685,000**
Estimated Fund Balance-December 31	$ 20,818,994	$ 5,590,231	$ 7,030,234	$ 33,439,459	$ 33,439,459

Note 1: Reflects resources and appropriations net of transfers, interfund transactions and interdepartmental charges

2013 Fund Equity - Enterprise Funds - Housing

	City Enterprise - Housing			
	City Public Housing	Local Housing	Component Units	Subtotal
RESOURCES				
Estimated Fund Balance - January 1	$ 2,961,409	$ 3,609,646	$ 2,269,968	$ 8,841,023
Interest Revenue	38,200	184,750	13,510	236,460
Repayment on Loans	-	-	-	-
Dwelling Rents	3,265,000	1,445,400	1,030,707	5,741,107
Grants	6,061,000	-	9,000	6,070,000
Housing Vouchers - Administration	-	-	-	-
Housing Vouchers - HAP	-	-	-	-
Miscellaneous	362,258	779,060	1,469,391	2,610,709
Interdepartmental Charges	-	2,983,252	-	2,983,252
Net Transfers	581,103	(958,816)	-	(377,713)
Subtotal Operating Revenues	10,307,561	4,433,646	2,522,608	17,263,815
Defundings	-	-	-	-
Gross Resources	13,268,970	8,043,292	4,792,576	26,104,838
Less Interfund Transactions	-	(2,983,252)	-	(2,983,252)
Net Resources (1)	**13,268,970**	**5,060,040**	**4,792,576**	**23,121,586**
APPROPRIATIONS				
Salaries and Benefits	3,307,477	1,944,814	109,019	5,361,310
Services and Supplies	4,680,348	1,808,521	847,907	7,336,776
Housing Assistance Payments	-	-	-	-
Debt Service	-	69,400	27,982	97,382
Financial Transactions	9,605	20,246	22,100	51,951
Public Services	-	139,060	-	139,060
Interdepartmental Charges	2,068,517	1,496,256	592,294	4,157,067
Subtotal Operating expenditures	10,065,947	5,478,297	1,599,302	17,143,546
Capital Projects	-	259,805	-	259,805
Gross Appropriations	10,065,947	5,738,102	1,599,302	17,403,351
Less Interfund Transactions	-	(2,983,252)	-	(2,983,252)
Net Appropriations (1)	**10,065,947**	**2,754,850**	**1,599,302**	**14,420,099**
Estimated Fund Balance-December 31	$ 3,203,023	$ 2,305,190	$ 3,193,274	$ 8,701,487

Note 1: Reflects resources and appropriations net of transfers, interfund transactions and interdepartmental charges

2013 Fund Equity - Enterprise Funds - Housing

County Enterprise - Housing

County Public Housing	Local Housing	Housing Choice Vouchers	Subtotal	Total Enterprise Funds-Housing	
					RESOURCES
$ 1,317,515	$ 2,815,285	$ 7,893,510	$ 12,026,310	$ 20,867,333	**Estimated Fund Balance - January 1**
18,970	313,953	179,194	512,117	748,577	Interest Revenue
-	281,650	-	281,650	281,650	Repayment on Loans
1,887,000	-	-	1,887,000	7,628,107	Dwelling Rents
3,151,120	-	-	3,151,120	9,221,120	Grants
-	-	8,975,633	8,975,633	8,975,633	Housing Vouchers - Administration
-	-	107,203,447	107,203,447	107,203,447	Housing Vouchers - HAP
144,465	1,693,000	28,940	1,866,405	4,477,114	Miscellaneous
-	3,281,726	-	3,281,726	6,264,978	Interdepartmental Charges
418,200	(41,184)	-	377,016	(697)	Net Transfers
5,619,755	5,529,145	116,387,214	127,536,114	144,799,929	Subtotal Operating Revenues
-	-	-	-	-	Defundings
6,937,270	8,344,430	124,280,724	139,562,424	165,667,262	**Gross Resources**
-	(3,281,726)	-	(3,281,726)	(6,264,978)	Less Interfund Transactions
6,937,270	**5,062,704**	**124,280,724**	**136,280,698**	**159,402,284**	**Net Resources (1)**
					APPROPRIATIONS
1,870,231	1,654,314	4,563,424	8,087,969	13,449,279	Salaries and Benefits
2,835,102	309,152	2,018,855	5,163,109	12,499,885	Services and Supplies
-	-	107,203,447	107,203,447	107,203,447	Housing Assistance Payments
-	-	200,000	200,000	297,382	Debt Service
3,460	52,450	25,419	81,329	133,280	Financial Transactions
-	520,573	-	520,573	659,633	Public Services
1,161,270	2,570,728	2,206,492	5,938,490	10,095,557	Interdepartmental Charges
5,870,063	5,107,217	116,217,637	127,194,917	144,338,463	Subtotal Operating expenditures
-	250,000	-	250,000	509,805	Capital Projects
5,870,063	5,357,217	116,217,637	127,444,917	144,848,268	**Gross Appropriations**
-	(3,281,726)	-	(3,281,726)	(6,264,978)	Less Interfund Transactions
5,870,063	**2,075,491**	**116,217,637**	**124,163,191**	**138,583,290**	**Net Appropriations (1)**
$ 1,067,207	$ 2,987,213	$ 8,063,087	$ 12,117,507	$ 20,818,994	**Estimated Fund Balance-December 31**

2013 Fund Equity - Other Governmental Funds

	City Special Revenue					
	City CDBG	City CDBG NSP 1	City CDBG NSP 3	City HOME	City Misc Grants	Subtotal
RESOURCES						
Estimated Fund Balance - January 1	$ 217,853	$ 73,025	$ 280,113	$ 29,534	$ 221,194	$ 821,719
Interest Revenue	42,836	-	-	193,490	1,248	237,574
Repayment on Loans	77,318	-	-	132,957	-	210,275
Grants	4,141,637	-	-	1,854,531	1,142,679	7,138,847
Miscellaneous	-	-	-	6,000	-	6,000
Net Transfers	-	-	-	-	-	-
Subtotal Operating Revenues	4,261,791	-	-	2,186,978	1,143,927	7,592,696
Defundings	-	-	-	-	-	-
Gross Resources	4,479,644	73,025	280,113	2,216,512	1,365,121	8,414,415
Less Interfund Transactions	-	-	-	-	-	-
Less Interdepartmental Charges	-	-	-	-	-	-
Net Resources (1)	**4,479,644**	**73,025**	**280,113**	**2,216,512**	**1,365,121**	**8,414,415**
APPROPRIATIONS						
Salaries and Benefits	475,048	38,533	152,504	87,303	95,553	848,941
Services and Supplies	84,787	6,306	25,366	29,815	22,762	169,036
Debt Service	350,686	-	-	-	-	350,686
Financial Transactions	9,541	-	-	8,600	1,022	19,163
Public Services	621,246	-	-	-	1,292,473	1,913,719
Interdepartmental Charges	281,749	28,186	102,243	68,335	83,440	563,953
Subtotal Operating expenditures	1,823,057	73,025	280,113	194,053	1,495,250	3,865,498
Capital Projects	2,595,159	-	-	2,001,525	1,165,479	5,762,163
Gross Appropriations	4,418,216	73,025	280,113	2,195,578	2,660,729	9,627,661
Less Interfund Transactions	-	-	-	-	-	-
Less Interdepartmental Charges	-	-	-	-	-	-
Net Appropriations (1)	**4,418,216**	**73,025**	**280,113**	**2,195,578**	**2,660,729**	**9,627,661**
Estimated Fund Balance-December 31	$ 61,428	$ -	$ -	$ 20,934	$ (1,295,608)	$ (1,213,246)

Note 1: Reflects resources and appropriations net of transfers, interfund transactions and interdepartmental charges

2013 Fund Equity - Other Governmental Funds

County Special Revenue

County CDBG	County CDBG NSP 1	County CDBG NSP 3	County HOME	County Misc Grants	Subtotal	
						RESOURCES
$ 644,108	$ 267,380	$ 377,366	$ 7,700	$ 1,072,603	$ 2,369,157	**Estimated Fund Balance - January 1**
10,067	-	-	363,233	69,334	442,634	Interest Revenue
13,511	-	-	277,244	756	291,511	Repayment on Loans
4,543,606	-	-	1,810,905	2,808,141	9,162,652	Grants
-	-	-	-	137,500	137,500	Miscellaneous
-	-	-	-	1,000,000	1,000,000	Net Transfers
4,567,184	-	-	2,451,382	4,015,731	11,034,297	Subtotal Operating Revenues
22,075	-	-	728,342	-	750,417	Defundings
5,233,367	267,380	377,366	3,187,424	5,088,334	14,153,871	**Gross Resources**
-	-	-	-	-	-	Less Interfund Transactions
-	-	-	-	-	-	Less Interdepartmental Charges
5,233,367	**267,380**	**377,366**	**3,187,424**	**5,088,334**	**14,153,871**	**Net Resources (1)**
						APPROPRIATIONS
467,760	132,492	205,610	86,483	95,321	987,666	Salaries and Benefits
91,581	25,695	41,438	32,126	19,325	210,165	Services and Supplies
-	-	-	-	1,000,000	1,000,000	Debt Service
11,919	-	-	7,700	9,171	28,790	Financial Transactions
668,990	-	-	-	420,591	1,089,581	Public Services
349,659	109,193	130,318	66,844	59,720	715,734	Interdepartmental Charges
1,589,909	267,380	377,366	193,153	1,604,128	4,031,936	Subtotal Operating expenditures
3,519,082	-	-	2,994,271	1,405,683	7,919,036	Capital Projects
5,108,991	267,380	377,366	3,187,424	3,009,811	11,950,972	**Gross Appropriations**
-	-	-	-	-	-	Less Interfund Transactions
-	-	-	-	-	-	Less Interdepartmental Charges
5,108,991	**267,380**	**377,366**	**3,187,424**	**3,009,811**	**11,950,972**	**Net Appropriations (1)**
$ 124,376	$ -	$ -	$ -	$ 2,078,523	$ 2,202,899	**Estimated Fund Balance-December 31**

2013 Fund Equity - Other Governmental Funds

	City Capital Projects Funds				
	City Capital Fund	City Housing Trust	City Affordable Housing	City Housing Authority-HSA Funds (2)	Subtotal
RESOURCES					
Estimated Fund Balance - January 1	$ 2,663,541	$ 281,763	$ 51,647	$ -	$ 2,996,951
Interest Revenue	-	180,000	-	523,152	703,152
Repayment on Loans	-	50,000	-	237,406	287,406
Grants	2,695,477	-	-	-	2,695,477
Miscellaneous	-	75,000	-	2,248,089	2,323,089
Net Transfers	(581,103)	-	-	(747,768)	(1,328,871)
Subtotal Operating Revenues	2,114,374	305,000	-	2,260,879	4,680,253
Defundings	-	-	-	-	-
Gross Resources	4,777,915	586,763	51,647	2,260,879	7,677,204
Less Interfund Transactions	-	-			-
Less Interdepartmental Charges	-	-			-
Net Resources (1)	**4,777,915**	**586,763**	**51,647**	**2,260,879**	**7,677,204**
APPROPRIATIONS					
Salaries and Benefits	158,404	15,861	-	314,277	488,542
Services and Supplies	12,108	2,595	-	11,696	26,399
Debt Service	-	-	-	454,843	454,843
Financial Transactions	-	5,670	150	7,745	13,565
Public Services	-	-	-	1,172,864	1,172,864
Interdepartmental Charges	214,147	15,513	-	-	229,660
Subtotal Operating expenditures	384,659	39,639	150	1,961,425	2,385,873
Capital Projects	1,347,739	547,124	51,497	299,454	2,245,814
Gross Appropriations	1,732,398	586,763	51,647	2,260,879	4,631,687
Less Interfund Transactions	-	-			-
Less Interdepartmental Charges	-	-			-
Net Appropriations (1)	**1,732,398**	**586,763**	**51,647**	**2,260,879**	**4,631,687**
Estimated Fund Balance-December 31	$ 3,045,517	$ -	$ -	$ -	$ 3,045,517

Note 1: Reflects resources and appropriations net of transfers, interfund transactions and interdepartmental charges
Note 2: Housing Authority as Successor Housing Agency

2013 Fund Equity - Other Governmental Funds

County Capital Projects Funds

County Capital Fund	County Housing Trust	County Affordable Housing	County Housing Authority-HSA Funds (2)	Subtotal	Total Other Governmental Funds	
						RESOURCES
$ 1,488,467	$ 687,205	$ 229,159	$ -	$ 2,404,831	$ 8,592,658	**Estimated Fund Balance - January 1**
-	210,000	12,000	3,000	225,000	1,608,360	Interest Revenue
-	150,000	-	-	150,000	939,192	Repayment on Loans
1,409,784	-	-	-	1,409,784	20,406,760	Grants
-	150,000	114,000	967,714	1,231,714	3,698,303	Miscellaneous
(418,200)	-	-	(406,690)	(824,890)	(1,153,761)	Net Transfers
991,584	510,000	126,000	564,024	2,191,608	25,498,854	Subtotal Operating Revenues
-	-	-	-	-	750,417	Defundings
2,480,051	1,197,205	355,159	564,024	4,596,439	34,841,929	**Gross Resources**
-	-	-		-	-	Less Interfund Transactions
-	-	-		-	-	Less Interdepartmental Charges
2,480,051	**1,197,205**	**355,159**	**564,024**	**4,596,439**	**34,841,929**	**Net Resources (1)**
						APPROPRIATIONS
112,613	24,512	11,022	257,631	405,778	2,730,927	Salaries and Benefits
7,861	3,808	2,864	5,848	20,381	425,981	Services and Supplies
-	-	-	-	-	1,805,529	Debt Service
-	6,093	1,100	2,570	9,763	71,281	Financial Transactions
-	-	-	296,000	296,000	4,472,164	Public Services
99,624	23,975	10,780	-	134,379	1,643,726	Interdepartmental Charges
220,098	58,388	25,766	562,049	866,301	11,149,608	Subtotal Operating expenditures
704,892	1,138,817	329,393	1,975	2,175,077	18,102,090	Capital Projects
924,990	1,197,205	355,159	564,024	3,041,378	29,251,698	**Gross Appropriations**
-	-	-		-	-	Less Interfund Transactions
-	-	-		-	-	Less Interdepartmental Charges
924,990	**1,197,205**	**355,159**	**564,024**	**3,041,378**	**29,251,698**	**Net Appropriations (1)**
$ 1,555,061	$ -	$ -	$ -	$ 1,555,061	$ 5,590,231	**Estimated Fund Balance-December 31**

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2013 Fund Equity - Internal Services Fund

		Total Internal Services
RESOURCES		
Estimated Fund Balance - January 1	$	6,895,846
Interest Revenue		663,394
Grants		84,338
Miscellaneous		82,210
Interdepartmental Charges		5,963,222
Net Transfers		1,154,458
Subtotal Operating Revenues		7,947,622
Defundings		-
Gross Resources		14,843,468
Less Interfund Transactions		(928,428)
Less Interdepartmental Charges		(5,034,794)
Net Resources (1)		**8,880,246**
APPROPRIATIONS		
Salaries and Benefits		3,747,185
Services and Supplies		1,789,287
Debt Service		1,044,669
Financial Transactions		743,176
Interdepartmental Charges		488,917
Subtotal Operating expenditures		7,813,234
Capital Projects		-
Gross Appropriations		7,813,234
Less Interfund Transactions		(928,428)
Less Interdepartmental Charges		(5,034,794)
Net Appropriations (1)		**1,850,012**
Estimated Fund Balance-December 31	$	7,030,234

Note 1: Reflects resources and appropriations net of transfers, interfund transactions and interdepartmental charges

Historical Resource Summary By Fund

Description	2011 Budget	2012 Budget	2013 Budget
Enterprise			
City Public Housing	$ 12,873,590	$ 12,215,128	$ 13,268,970
City Local Housing	8,024,069	9,361,814	8,043,292
City Component Units	2,572,765	2,912,375	4,792,576
County Public Housing	6,543,504	5,939,197	6,937,270
County Local Housing	10,134,462	10,436,947	8,344,430
County Housing Choice Vouchers	114,874,113	120,606,415	124,280,724
Sub total Enterprise	155,022,503	161,471,876	165,667,262
Other Governmental			
City CDBG	6,422,604	4,688,982	4,479,644
City CDBG-NSP 1	4,269,807	221,557	73,025
City CDBG-NSP 3	-	-	280,113
City CDBG-R	-	376,232	-
City HPRP	68,503	-	-
City HOME	3,806,510	3,474,930	2,216,512
City Misc Grants	169,893	619,691	1,365,121
County CDBG	6,453,134	4,641,800	5,233,367
County CDBG-NSP 1	5,390,220	578,156	267,380
County CDBG-NSP 3	-	-	377,366
County CDBG-R	-	459,567	-
County HPRP	69,044	-	-
County HOME	5,609,520	3,291,246	3,187,424
County Misc Grants	2,723,278	2,956,207	5,088,334
City Capital Fund	3,492,625	3,213,593	4,777,915
City Competitive Capital Fund-ARRA	121,665	27,585	-
City Housing Trust	1,065,363	360,529	586,763
City Affordable Housing	-	-	51,647
City HSA (3)	-	-	2,260,879
County Capital Fund	1,844,626	1,811,521	2,480,051
County Housing Trust	551,294	563,019	1,197,205
County Affordable Housing	927,861	207,776	355,159
County HSA (3)	-	-	564,024
Sub total Other Governmental	42,985,947	27,492,391	34,841,929
Redevelopment			
65th Street	929,624	1,426,000	-
Alkali Flat	1,133,261	1,211,852	-
Army Depot	2,026,595	3,530,430	-
Del Paso Heights	3,511,821	4,361,132	-
Merged Downtown	29,686,660	31,638,395	-
North Sacramento	3,229,607	4,705,729	-
Oak Park	4,207,115	5,890,677	-
Railyard	415,114	315,879	-
River District	2,415,206	1,412,848	-
Tax Increment Aggregation-City	1,848,332	758,280	-
Low/Mod Tax Increment Aggregation-City	1,655,341	702,220	-
Florin Road	959,082	1,483,674	-
Mather	5,504,515	6,018,881	-
McClellan	6,044,416	4,846,430	-
Tax Increment Aggregation-County	1,237,432	1,181,679	-
Low/Mod Tax Increment Aggregation-County	1,890,005	535,307	-
Auburn Boulevard	372,406	334,814	-
Franklin Boulevard	5,051,733	3,408,315	-
Stockton Boulevard	2,043,350	7,657,503	-
Sub total Redevelopment	74,161,615	81,420,045	-
Internal Services			
Sub total Internal Services	17,681,862	17,231,071	14,843,468
Gross Total (1)	$ 289,851,927	$ 287,615,383	$ 215,352,659
Less Interdepartmental Charges	(13,698,577)	(17,979,038)	(12,228,200)
Net Total (2)	$ 276,153,350	$ 269,636,345	$ 203,124,459

Note 1: Resources available in any given fund include the estimated revenue to be received in that fund for the current year plus the beginning balance of that fund, transfers to and from other funds, interdepartmental charges and the use of capital proje

Note 2: Net total reflects resources net of interdepartmental charges.

Note 3: Housing Successor Agency

Historical Appropriations Summary By Fund

Description	2011 Budget	2012 Budget	2013 Budget
Enterprise			
City Public Housing	$ 10,659,708	$ 10,245,315	$ 10,065,947
City Local Housing	5,344,896	5,207,087	5,738,102
City Component Units	1,452,726	1,182,713	1,599,302
County Public Housing	6,129,698	5,892,811	5,870,063
County Local Housing	5,112,972	5,460,762	5,357,217
County Housing Choice Vouchers	106,957,664	110,793,431	116,217,637
Sub total Enterprise	135,657,664	138,782,119	144,848,268
Other Governmental			
City CDBG	6,422,604	4,688,982	4,418,216
City CDBG-NSP 1	4,269,807	221,557	73,025
City CDBG-NSP 3	-	-	280,113
City CDBG-R	-	161,843	-
City HPRP	68,503	-	-
City HOME	3,806,510	3,474,930	2,195,578
City Misc Grants	169,893	525,793	2,660,729
County CDBG	6,453,134	4,585,619	5,108,991
County CDBG-NSP 1	5,390,220	578,156	267,380
County CDBG NSP 3	-	175,159	377,366
County HPRP	69,044	-	-
County HOME	5,609,520	3,291,246	3,187,424
County Misc Grants	2,723,278	2,639,127	3,009,811
City Capital Fund	3,492,625	1,857,974	1,732,398
City Competitive Capital Fund-ARRA	121,665	27,585	-
City Housing Trust	1,065,363	360,529	586,763
City Affordable Housing	-	-	51,647
City HSA (3)	-	-	2,260,879
County Capital Fund	1,844,626	1,050,029	924,990
County Housing Trust	551,294	563,019	1,197,205
County Affordable Housing	927,861	207,776	355,159
County HSA (3)	-	-	564,024
Sub total Other Governmental	42,985,947	24,409,324	29,251,698
Redevelopment			
65th Street	929,624	1,426,000	-
Alkali Flat	1,133,261	1,211,852	-
Army Depot	2,026,595	3,530,430	-
Del Paso Heights	3,511,821	4,361,132	-
Merged Downtown	29,686,660	31,638,395	-
North Sacramento	3,229,607	4,705,729	-
Oak Park	4,207,115	5,890,677	-
Railyard	415,114	315,879	-
River District	2,415,206	1,412,848	-
Tax Increment Aggregation-City	1,848,332	758,280	-
Low/Mod Tax Increment Aggregation-City	1,655,341	702,220	-
Florin Road	959,082	1,483,674	-
Mather	5,504,515	6,018,881	-
McClellan	6,044,416	4,846,430	-
Tax Increment Aggregation-County	1,237,432	1,181,679	-
Low/Mod Tax Increment Aggregation-County	1,890,005	535,307	-
Auburn Boulevard	372,406	334,814	-
Franklin Boulevard	5,051,733	3,408,315	-
Stockton Boulevard	2,043,350	7,657,503	-
Sub total Redevelopment	74,161,615	81,420,045	-
Internal Services			
Sub total Internal Services	11,033,936	9,274,652	7,813,234
Gross Total (1)	$ 263,839,162	$ 253,886,140	$ 181,913,200
Less Interdepartmental Charges	(13,698,577)	(17,979,038)	(12,228,200)
Net Total (2)	$ 250,140,585	$ 235,907,102	$ 169,685,000

Note 1: Appropriations reflected in any given fund include interdepartmental charges
Note 2: Net total reflects appropriations net of interdepartmental charges
Note 3: Housing Successor Agency

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SECTION D

ADMINISTRATIVE SUPPORT

Administrative Support

Summary of Appropriations and Employee Services Schedule

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 5,020,843	$ 4,731,708	$ 3,747,185
Services and Supplies	3,849,439	2,966,152	2,278,204
Subtotal	8,870,282	7,697,860	6,025,389
Interdepartmental Charges-Eliminations	(8,527,183)	(7,057,835)	(5,034,794)
Subtotal	343,099	640,025	990,595
Other Charges:			
Debt Services	1,044,669	1,044,669	1,044,669
Financial Transactions/Redevelopment Activities	118,985	922,252	743,176
Capital Expenditures	1,000,000	-	-
Subtotal	2,163,654	1,966,921	1,787,845
Interdepartmental Charges-Eliminations	(1,044,669)	(1,044,669)	(928,428)
Required Funding	$ 1,462,084	$ 1,562,277	$ 1,850,012

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Executive Director	4.00	5.00	5.00	0.00
Legal	5.00	4.00	4.00	0.00
Human Resources	6.00	6.50	6.00	-0.50
Risk Management*	1.00	0.00	0.00	0.00
Finance	16.00	14.00	14.00	0.00
IMTS	10.00	8.00	8.00	0.00
General Services*	1.00	0.00	0.00	0.00
Agency Clerk	2.50	2.50	2.00	-0.50
Total Administrative Support	45.50	40.00	39.00	-1.00

*This department has been integrated into the Human Resources department.

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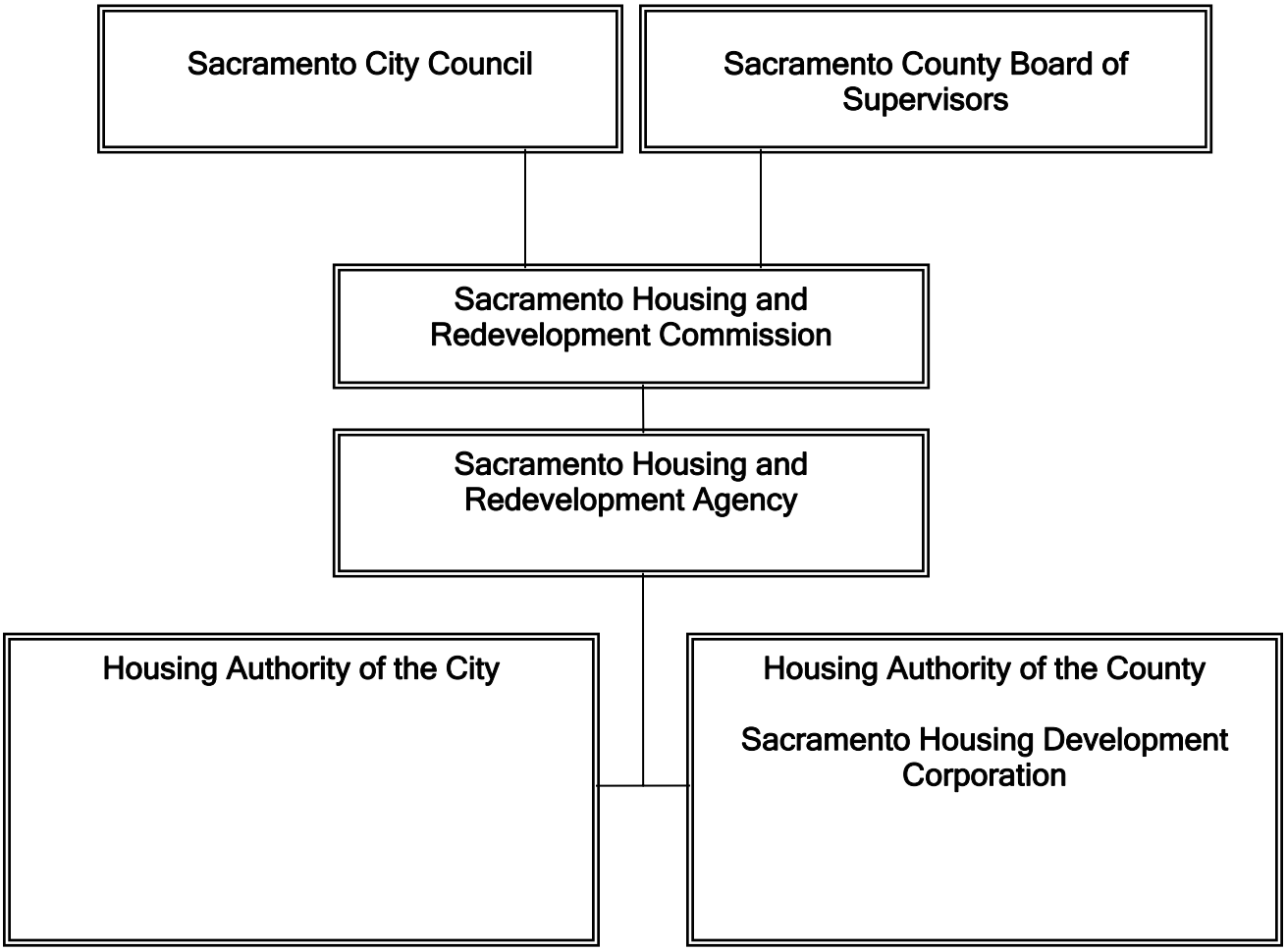
Governing Boards



- Department Summary
- Appropriation Summary
- Activities Detail

Governing Boards

Department Summary

Sacramento Housing and Redevelopment Agency (Agency) is a joint powers authority controlled by both City and County governing boards. The elected governing boards consist of the Sacramento City Council, which also acts as the Housing Authority of the City of Sacramento and the Sacramento County Board of Supervisors, which also acts as the Housing Authority of the County of Sacramento, and the Sacramento Housing Development Corporation. The Sacramento Housing and Redevelopment Commission, whose members are appointed by the Board of Supervisors and the City Council, also governs the Agency and advises on various matters to the City and County governing boards.

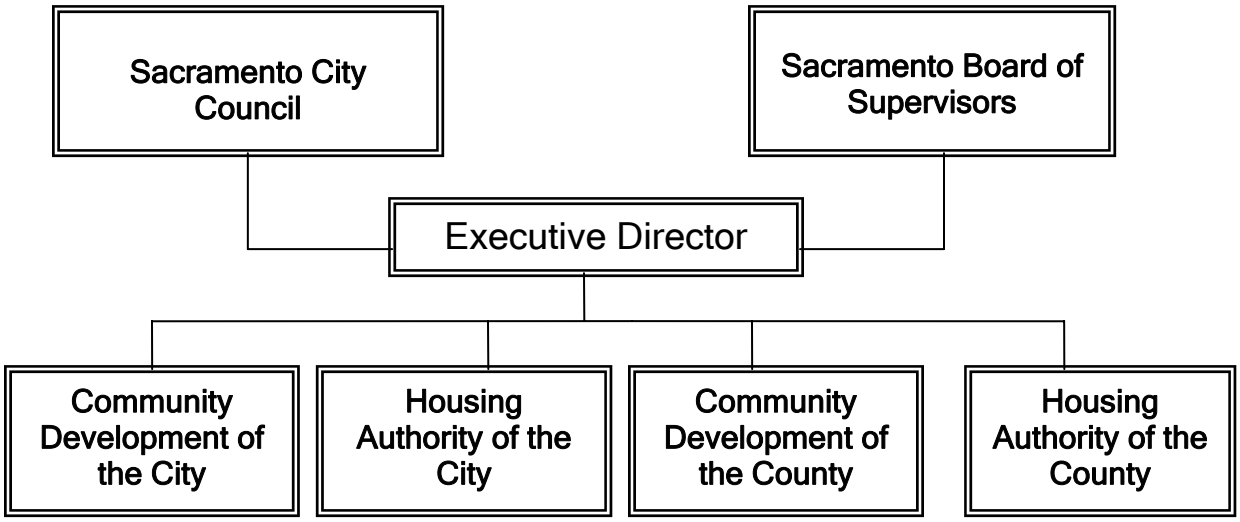
Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Services and Supplies	$ 179,430	$ 179,430	$ 96,451
Interdepartmental Charges-Eliminations	(179,430)	(136,840)	(175,007)
Required Funding	$ -	$ 42,590	$ (78,556)

Activities Detail

- Review and approve the activities of the Agency.
- Serve, to the best of the governing boards' abilities, the residents of the City and County by meeting their needs and concerns through the adoption of ordinances and resolutions, establishment of policies, approval of new and ongoing program activities, and adoption of the annual Agency budget.
- Provide a high level of service to all members of the community.

Executive Director



- Department Summary
- Appropriation Summary
- Activities Detail
- 2013 Initiatives
- 2012 Accomplishments
- Employee Services Schedule

Executive Director

Department Summary

The Executive Director provides supportive direction and guidance to the organization in effectively implementing the Agency's mission and core goals relating to community development, affordable housing initiatives, and catalytic economic and neighborhood revitalization. The Executive Director is responsible for developing and maintaining strong supportive relationships with elected officials at all levels of government. It is the Executive Director's responsibility to maintain fiscal integrity, to develop strategic partnerships with housing advocates, private and non-profit organizations, business and community groups and residents, and to exercise visionary and innovative leadership to ensure that the Agency maintains a leading and proactive position in responding to external environmental factors that impact the future of the organization and its ability to successfully address Sacramento's housing and community development needs.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 470,949	$ 708,942	$ 461,257
Services and Supplies	472,760	602,542	554,355
Subtotal	943,709	1,311,484	1,015,612
Interdepartmental Charges-Eliminations	(943,709)	(861,533)	(321,525)
Required Funding	$ -	$ 449,951	$ 694,087

Activities Detail

- Maintaining collaborative partnerships with the City, County, State and federal agencies in the effort to promote affordable housing and community development activities.

- Effective communications and public outreach to residents, neighborhood associations, community groups, business associations, elected officials, government agencies, and the media.

- Implementing effective and efficient management practices to enhance customer service and project delivery.

Executive Director

2013 Initiatives

- Continue to serve as the SHRA employee representative to the Successor Agency Oversight Boards for redevelopment assets for the City and the County of Sacramento.
- Continue working at the federal and state levels to support initiatives for maintaining funding for community development and affordable housing programs.

- Continue committing staff resources to position the Agency for federal, state, and local funding opportunities to revitalize and redevelop public housing communities.

- Continue to navigate the challenging economy through fiscal vigilance, careful planning, and budgeting; continuous evaluation of Agency programs to help ensure cost efficiency.

- Continue to provide leadership and strategic direction to staff for high-impact projects and programs, including budget issues, federal stimulus funds, elimination of redevelopment, community development and housing authority issues.

- Work to successfully negotiate fair contracts with each of the Agency's employee bargaining units.

- Continue our commitment to informing and educating residents and community stakeholders on a variety of issues ranging from fiscal challenges to affordable housing and community development.

- Continue cultivating and maintaining effective media and public relations through proactive outreach and timely responses to inquiries and requests for public information.

- Continue providing accountability and transparency to the public in the use of federal recovery funds.

- Continue providing intermediary assistance through the Agency Ombudsman Program to address concerns by residents in housing assistance programs and to achieve timely resolution at the lowest level.

- Continue to serve as a regional resource for distressed homeowners by providing referrals and information through partnerships with home loan counseling agencies and mortgage lenders.

Executive Director

2012 Accomplishments

- Provided critical analysis and strategic recommendations to State legislators on proposed bills to create legislative alternatives to the elimination of redevelopment.

- Successfully submitted a grant application for the U. S. Department of Justice, Office of Juvenile and Delinquency Prevention Local Mentoring Coordinator Program.

- Submitted a $3.4 million proposal for the Sacramento Partnership for Achieving Independence through Resources for Sustainable Self-Sufficiency (SacPAIRS) designed to help low-risk inmates released from state incarceration transition back into Sacramento County.

- Conducted a successful public information campaign to announce the relocation of the Housing Authority Housing Choice Voucher and Public Housing Conventional Housing Intake Services programs to the Agency's newly renovated building at 630 I Street.

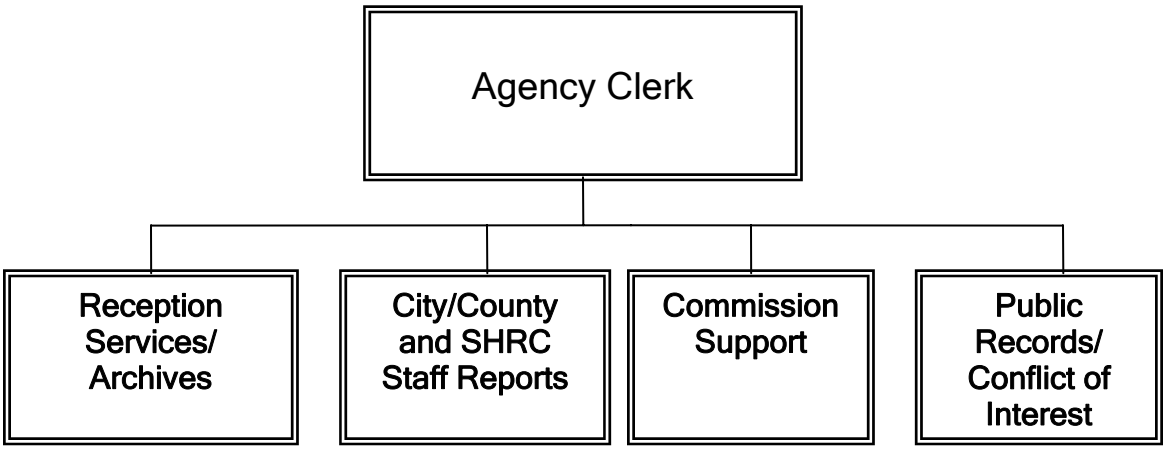
- Responded to more than 200 inquiries to the Agency Ombudsman Program from housing assistance program residents and community members.

- Produced and electronically distributed periodic newsletter on Sacramento's use of more than $65 million in federal recovery funds.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Executive Director				
Confidential Administrative Assistant	1.00	1.00	1.00	0.00
Deputy Executive Director	0.00	1.00	1.00	0.00
Director	1.00	0.00	0.00	0.00
Executive Director	1.00	1.00	1.00	0.00
Public Information Officer	1.00	1.00	1.00	0.00
Senior Management Analyst	0.00	1.00	1.00	0.00
Total Positions	4.00	5.00	5.00	0.00

Agency Clerk



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Agency Clerk

Department Summary

The Agency Clerk's Department works across the organization to ensure that all Agency projects, programs, policy and budget items receive all necessary governing board approvals through the staff report process, that all legal requirements related to public noticing and posting of items are completed in a timely manner, and that the public is able to effectively interface with the Agency by efficiently managing the public records request process and by posting the Agency's bi-monthly agenda packet and other relevant information on the Agency web site.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 274,651	$ 272,566	$ 187,196
Services and Supplies	197,687	148,181	98,258
Subtotal	472,338	420,747	285,454
Interdepartmental Charges-Eliminations	(472,338)	(463,110)	(373,755)
Required Funding	$ -	$ (42,363)	$ (88,301)

Activities Detail

The Agency Clerk's office provides the following external and internal services:

- Archivist for official Agency records, resolutions, ordinances and staff reports as approved by the Agency's Commission.
- Liaison with the Sacramento City and Sacramento County Clerks offices for all Agency project approvals, oversight of all agendas, agenda items, public notices and public hearings for the Sacramento Housing and Redevelopment Commission.
- Filing office for the Agency's Conflict of Interest Statements, management and maintenance of Agency's Records Retention schedule.
- Management of Agency's public records request process.

2013 Initiatives

- Update records retention policy and conflict of interest policy to meet current standards and requirements.

Agency Clerk

- Review options for development/expansion of Agency "vital records disaster recovery plan".
- Continue to work on revisions to staff reports process and implement changes as necessary and continue to efficiently and effectively process staff reports.
- Review options with IT staff for automated staff report and document management system.

2012 Accomplishments

- Served as clerk for Sacramento County Oversight Board for the Sacramento County Successor Agency.
- Transitioned nearly 200 boxes of records to the City and County Successor Agencies as a result of the dissolution of redevelopment.
- Processed approximately 150 staff reports for the Commission, City Council, Board of Supervisors and County Oversight Board.
- Assisted staff and commissioners/consultants to complete their required conflict of interest filing.
- Managed consultant who digitized approximately 500 project files for the real estate, portfolio management and legal departments.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Agency Clerk				
Agency Clerk	1.00	1.00	1.00	0.00
Assistant Agency Clerk	0.50	0.50	0.00	-0.50
Office Assistant	1.00	1.00	1.00	0.00
Total Positions	2.50	2.50	2.00	-0.50

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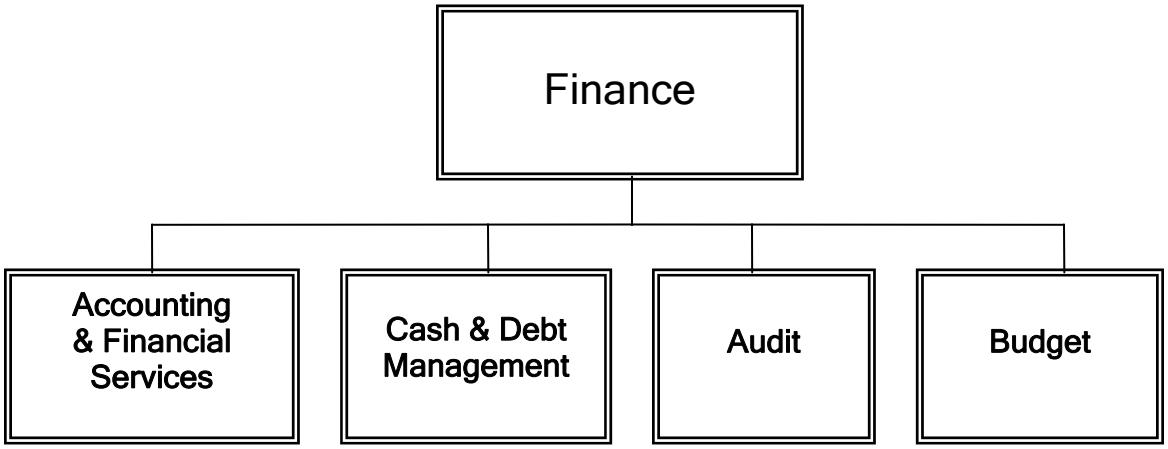
Finance



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Finance

Department Activities

The Finance Department provides full service accounting and financial services in support of the Agency's redevelopment and housing programs. The primary responsibilities of the department include: payroll, accounts payable, fixed assets, debt management, cash management, financial reporting and general ledger accounting. Significant technical activities include the preparation of the Comprehensive Annual Financial Report (CAFR) and the Agency's annual budget.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 1,682,170	$ 1,424,833	$ 1,189,696
Services and Supplies	806,406	355,559	182,920
Subtotal	2,488,576	1,780,392	1,372,616
Interdepartmental Charges-Eliminations	(2,232,489)	(1,848,623)	(1,543,061)
Required Funding	$ 256,087	$ (68,231)	$ (170,445)

Activities Detail

Accounting and Financial Services

In additional to performing the daily functions of payroll, accounts payable, cash management and general ledger accounting, department staff perform specialized reporting services on behalf of the Redevelopment Agency and the Housing Authority. Examples of the specialized reporting include, but are not limited to the following:

- Annual State Controller's Report.
- Annual Statement of Indebtedness.
- Annual Housing and Community Development Report.
- Annual Public Housing Operating Subsidy Budget.
- Monthly reporting in the HUD Voucher Management System.
- Annual filing of the Housing Authority Financial Data Submission to HUD.
- Monthly NSP reporting in the HUD Disaster Recovery Grant Reporting system (DRGR).

Finance

Cash Management

- Manage the Agency's daily cash requirements and coordinate the investment of Agency funds with the City and County Treasurer's Office.

Debt Management

- Manage the Agency's outstanding debt obligations, ensure compliance with debt covenants, fulfill continuing disclosure requirements, and determine the capacity and timing of future debt issues.

Audit

- Work with accounting staff, external auditors and program staff to prepare the Agency's Comprehensive Annual Financial Reports.

Budget

- Work with accounting staff and all Agency divisions to prepare a balanced annual operating and capital project budget.

2013 Initiatives

- Receive the California Municipal Finance Officers Meritorious Budget Award.
- Receive the Government Finance Officers Award for Excellence in Financial Reporting.
- Implement an online time card payroll process.
- Complete the upgrade of the financial accounting system.

2012 Accomplishments

- Received the Government Finance Officers Award for Excellence in Financial Reporting.
- Received an unqualified audit opinion on the 2011 Comprehensive Annual Financial Report (CAFR).
- Received the California Municipal Finance Officers Meritorious Budget Award
- Completed first phase of financial accounting system upgrade.

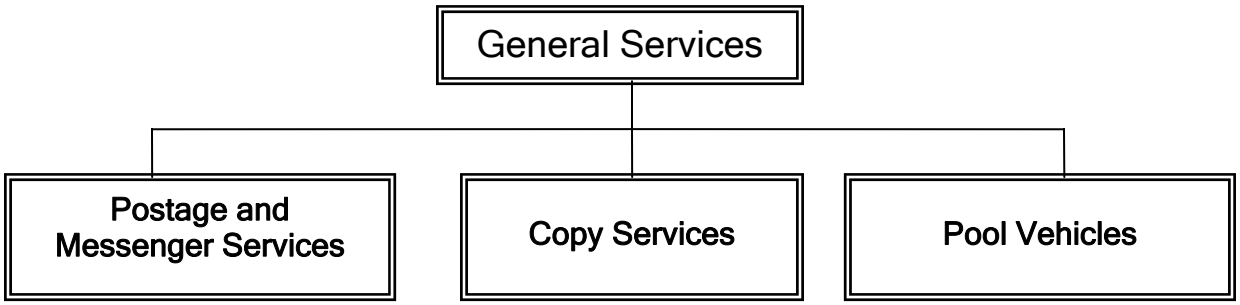
Finance

- Initiated the wind-down of redevelopment effectuating the transfer of redevelopment assets to successor agencies and successfully completed numerous agreed upon procedures reviews by the California Department of Finance, State Controllers' office and external audit firms.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Finance				
Accountant	3.00	3.00	3.00	0.00
Accounting Technician	3.00	3.00	3.00	0.00
Director	1.00	1.00	1.00	0.00
Finance Specialist-Payroll	1.00	1.00	1.00	0.00
Management Analyst	2.00	1.00	1.00	0.00
Office Technician	1.00	1.00	1.00	0.00
Program Manager	2.00	2.00	2.00	0.00
Principal Accountant	3.00	2.00	2.00	0.00
Total Positions	16.00	14.00	14.00	0.00

General Services



This department has been integrated into the Human Resources department.

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General Services

Department Summary

The General Services Division provides external and internal mail services, copy services, and pool vehicles Agency-wide.

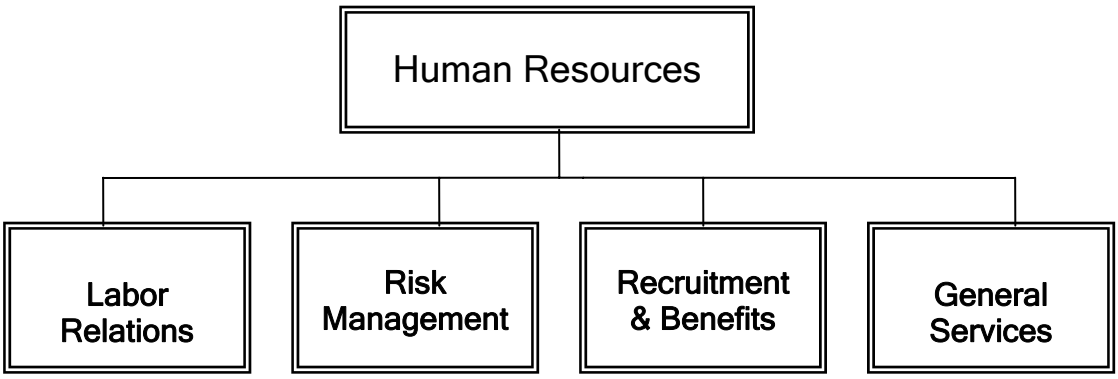
Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 80,091	$ -	$ -
Services and Supplies	147,767	-	-
Subtotal	227,858	-	-
Interdepartmental Charges-Eliminations	(227,858)		
Required Funding	$ -	$ -	$ -

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
General Services				
Mail/Photocopy Clerk	1.00	0.00	0.00	0.00

Human Resources



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Human Resources

Department Activities

The Human Resources Department is responsible for personnel administration for the Agency including developing, implementing and maintaining a system of personnel administration which includes labor negotiations, recruitment, selection and training of employees; the personnel/payroll system database; employment assistance to management, employees and applicants; and position classification and salary plans, risk management activities, and agency-wide mail, photocopy, and messenger services.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 632,324	$ 779,255	$ 764,830
Services and Supplies	290,225	303,166	277,852
Subtotal	922,549	1,082,421	1,042,682
Interdepartmental Charges-Eliminations	(922,549)	(1,161,352)	(1,016,610)
Required Funding	$ -	$ (78,931)	$ 26,072

Activities Detail

Personnel Rules and Labor Agreements

Lead the development of guidelines for recruitment, hiring, and maintenance of all Agency employees. Insure that all Personnel Rules are equitably implemented. Negotiate, interpret, and enforce collective bargaining agreements for the staff represented by the Employee Association, and/or American Federation of State, County & Municipal Employees (AFSCME).

Employee Performance Appraisal System

Work with personnel managers throughout the Agency to assure that performance evaluations are timely and trigger appropriate changes in salary and/or benefit levels.

Worker's Compensation Program

Administer the worker's compensation program which includes collecting documentation on any work-related injury, coordinating with medical professionals to assure a smooth return to work in a safe and gradual manner if necessary.

Health and Welfare Insurance Programs

Facilitating the annual open-enrollment process as well as enrolling new employees in the medical/dental/vision programs of their choice and maintaining the payroll system to accurately collect premiums and forward payments to insurers.

Temporary Services Contracts

Maintaining relationships with temporary staffing providers in order to quickly fill any temporary position with a qualified person. Successful temporary hiring practices result in staffing levels that are commensurate with changeable work load associated with many Agency departments.

Risk Management Services

In addition to performing the daily task of contract and policy review along with claim adjusting there are several ongoing task that must be completed.

- Yearly Property, liability and auto renewal for all Agency owned properties.
- Yearly Property and liability renewal for all Agency Non-profit sites.
- Yearly National Flood coverage protection for Agency and non profit sites.
- Yearly claims review process of all property, general liability and auto claims.
- End of year Risk Control Dividend Report for Housing Authority Insurance Group.
- Review and update all schedules with any changes to correctly reflect current property owned by the Agency.
- Flood Renewal - Analyze the most current flood protection maps yearly to determine the need of flood protection insurance.

General Services

Provide and manage the daily inter-office messenger and mail delivery, US mail processing services, in-house photocopy and reproduction services and coordinates the Agency's use of outside photocopy, reproduction and binding services. The department also operates and maintains a vehicle pool for downtown staff for short-term and occasional use.

2013 Initiatives

- Revise and update Agency Personnel Rules as needed to coincide with newly negotiated Labor Agreements.
- Continue to provide training for supervisory and management staff on performance management processes and techniques.
- Continue to coordinate the Agency-Wide Safety Committee.
- Provide online safety training for all employees.
- Conduct Hands-On behind the wheel training for maintenance and Agency vehicle operators.

Human Resources

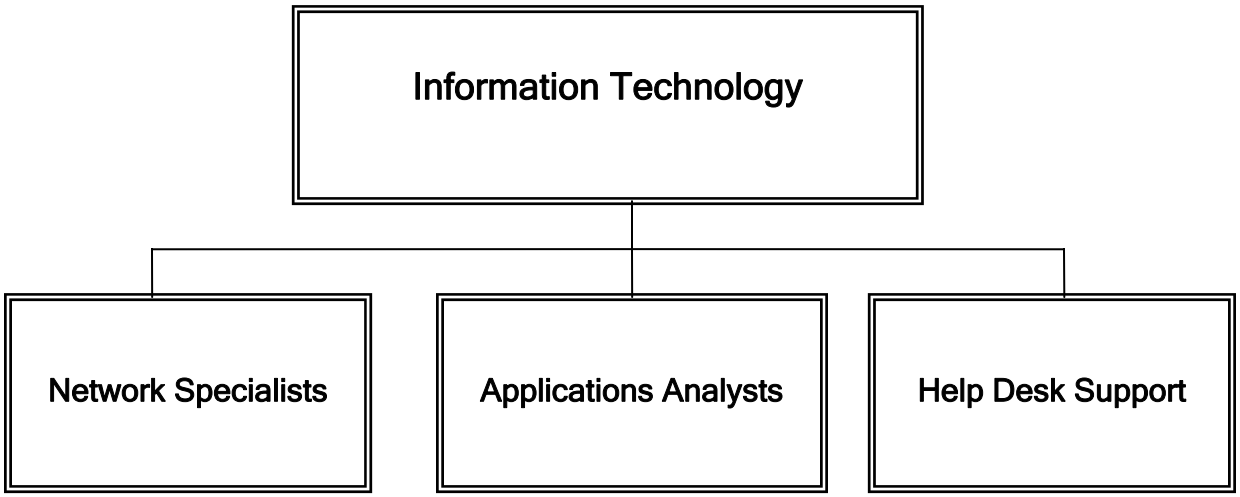
2012 Accomplishments

- Revised employee performance evaluation process to include moving all employees to calendar year-end review period, and automated notifications and tracking systems for supervisors.
- Initiated Collective Bargaining process with both AFSCME and the Sacramento Housing and Redevelopment Agency Employees Association.
- Conduct a claims review annually assuring that the Agency and insurance carriers verify and determine a plan of action on all open claims.
- Complete an annual comprehensive voluntary year-end report that documents all risk management and loss control measures completed by the Agency for the current policy year. The Agency is eligible for a 15% return on premium if all risk control standards are completed.
- Coordinated with Legal and Agency Clerk to create a new tracking and monitoring format for all claims filed against the Agency.
- Conducted side-by-side analysis of current property carrier and proposed new carrier resulting in the Agency transferring the 2012 property program with a savings of sixty thousand dollars annually.
- Continued ongoing Safety Programs including safety meetings, individual workstation ergonomic evaluations, online safety training courses, back-safe training sessions for Maintenance Staff.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Human Resources				
Director	1.00	1.00	1.00	0.00
Human Resources Assistant	1.00	1.00	1.00	0.00
Human Resources Technician	1.00	0.00	0.00	0.00
Mail/Photocopy Clerk	0.00	0.50	0.00	-0.50
Senior Management Analyst	0.00	1.00	1.00	0.00
Program Manager	1.00	1.00	1.00	0.00
Senior Human Resources Analyst	2.00	2.00	2.00	0.00
Total Positions	6.00	6.50	6.00	-0.50

Information Technology



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Information Technology

Department Activities

The Information Technology (IT) Department provides centralized support for the Agency's information systems and hardware, personal computer applications, and voice and data communication networks.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 996,740	$ 980,435	$ 756,274
Services and Supplies	926,669	698,842	515,394
Subtotal	1,923,409	1,679,277	1,271,668
Interdepartmental Charges-Eliminations	(1,923,409)	(1,288,083)	(853,188)
Required Funding	$ -	$ 391,194	$ 418,480

Activities Detail

- Implement and maintain reliable voice and data networks.
- Enhance Agency productivity by incorporating computing and telecommunication applications that support a technologically smart workplace.
- Ensure that critical systems and data necessary to conduct Agency operations are secure.
- Provide access to information and data in a form that facilitates decision making and effective operational management.
- Enable the Agency to better communicate and exchange information with the public and its constituents via the Internet.

2013 Initiatives

- As a part of phase II of the Sungard OneSolution financial software upgrade, Contract Management software to integrate vendor and specific contract information will be implemented in 2013. In addition Employee Online will be evaluated and may also be implemented in phase II which would provide staff automated access to their personal employment information.

Information Technology

- IT plans to upgrade all agency PC to Windows7 and the Office suite. In order to accomplish these upgrades, many PC will need to be replaced, the proper licensing determined and purchased, and a new PC "image" will be defined, created and implemented.

- In conjunction with our housing finance assistance staff in Portfolio Management, IT has been developing and plans to implement a web enabled application for their property management companies who participate in SHRA funding programs to track and report on properties receiving Bond, Home, Housing Trust Fund and Tax Credit funding. This application will provide the automation and convenience for property managers to report and our Portfolio Management staff to verify that participants are in compliance with the various funding sources.

IT will be implementing new applications and processes to improve departmental efficiency. The improvements will include better automation of inventory control and hardware reporting, as well as, improved issue reporting and tracking.

2012 Accomplishments

- IT, Finance and HR completed the first phase of upgrading the recent release of Onesolution, formally known as the Integrated Financial and Administrative Solution (IFAS) by SunGard. This first phase included upgrades to the GL and other core application modules. Timecard OnLine was also implemented which dramatically reduced the timecard processing.

- IT provided assistance in the rehabilitation of 630 I Street by coordinating the specifications and installation of data cabling, computer room and audio / video requirements for this location. IT also provided the desktop support assistance to be certain all workstations, training rooms, conference rooms and related equipment was functional for staff as a result of the move.

- As a part of the rehabilitation of 630 I Street, IT worked in conjunction with Public Housing Authority HCV staff to define requirements, select, and implement a customer management solution. This solution provides the ability for HCV program participants and landlords to electronically check-in for service in the HCV lobby and indicate the type of service they require. Much of the information that they provide is integrated to their accounts in Yardi, thereby streamlining processes so the public is served more quickly and efficiently.

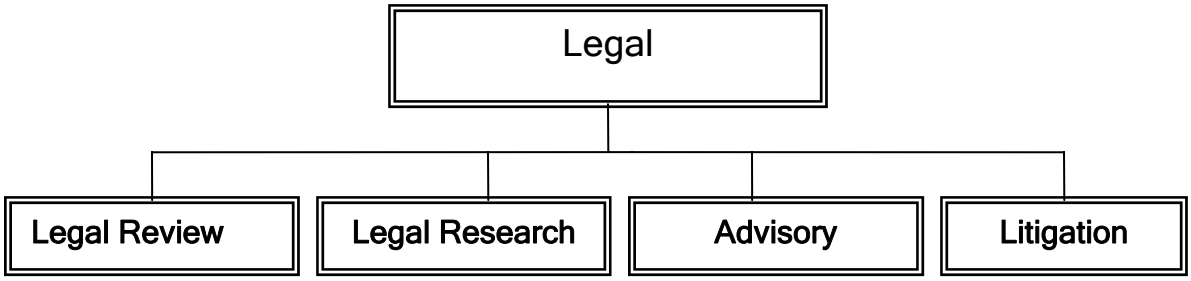
- IT assisted the Public Housing Authority HCV staff to implement automatic payments (ACH) to our landlords from Yardi. We also worked with Yardi and HCV and provided a secure portal for landlords to review and update their Yardi accounts and verify home inspection information.

Information Technology

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Information Technology				
IT Applications & Development Analyst	4.00	3.00	3.00	0.00
IT Customer Support Specialist	1.00	1.00	1.00	0.00
IT Network/Midrange Specialist	2.00	2.00	2.00	0.00
Management Analyst	1.00	0.00	0.00	0.00
Principal IT Customer Support Specialist	1.00	1.00	1.00	0.00
Program Manager	1.00	1.00	1.00	0.00
Total Positions	10.00	8.00	8.00	0.00

Legal



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Legal

Department Activities

The Legal Department is responsible for the administration of all legal services for all Agency internal and external activities, both community development and housing; to ensure that the legal interests of the Agency are protected and that its activities are in legal compliance.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 751,914	$ 565,677	$ 387,932
Services and Supplies	221,446	162,439	100,823
Subtotal	973,360	728,116	488,755
Interdepartmental Charges-Eliminations	(973,360)	(842,963)	(751,648)
Required Funding	$ -	$ (114,847)	$ (262,893)

Activities Detail

Document Preparation & Review

Provide transactional legal services for Agency real property transactions, affordable housing and community development in targeted areas, and review contracts and other agreements for appropriate authorities, legal and environmental compliance. Specifically,

- Prepare and/or review Agency policies, programs and correspondence.
- Review staff reports and draft resolutions and local ordinances.
- Prepare and review contracts for real estate transactions, affordable housing development, construction projects, routine services and procurement.
- Prepare legal opinions and legal documentation necessary to implement Agency projects and programs.

Legal Research & Counseling

Serve as legal advisor to governing boards and Agency staff on housing and community development issues. Coordinate with other Agency departments to ensure legal compliance in real estate transactional and procurement matters. Specifically,

- Conduct legal and policy research.
- Review case law, legislation and regulations.

Legal

- Assist Agency Clerk in responding to requests for public records.
- Advise governing boards.
- Provide legal support to project staff for housing and community development projects.
- Analyze complex legal issues and provide opinions to staff.

Litigation
Provide legal representation in civil and administrative litigation and coordinate activities of outside counsel to the agency. Specifically,

- Monitor claims and litigation involving the Agency.
- Manage outside counsel assigned to the litigation.
- Counsel Agency employees involved in Agency related litigation.
- Attend hearings, review pleadings and rulings and conduct legal research.
- Work with insurance claims adjusters.
- Participate in settlement conferences and administrative hearings.

2013 Initiatives

- Evaluate and implement new technologies to assist in legal document management and contract review.
- Update legal department operating procedures to assist in monitoring compliance with laws and regulations governing the agency.
- Work with Agency Clerk to update and implement centralized Agency electronic and paper filing systems.
- Continue to monitor the cost and use of outside counsel, anticipating an increase in litigation as delinquency rates rise on development agreements and construction loans resulting from the real estate downturn and the states elimination of redevelopment.

Legal

2012 Accomplishments

- Provided transactional and advisory services to the Agency (and its constituent members), valued at over $850,000 on a wide variety of housing, community development, public infrastructure and redevelopment projects.

- Provided legal advisory services and monitored for compliance several external audits of Agency administered projects and programs.

- Worked collaboratively with County Counsel and City Attorney to transition the legal and financial administration of former redevelopment non-housing activities to the City and County as successor agencies to their former redevelopment agencies.

- Settled condemnation litigation initiated in 2009 with Greenfair Homeowners Association, making way for the development of affordable housing.

- Negotiated successfully with bank and receivers in bankruptcy actions to preserve over 200 units of affordable housing.

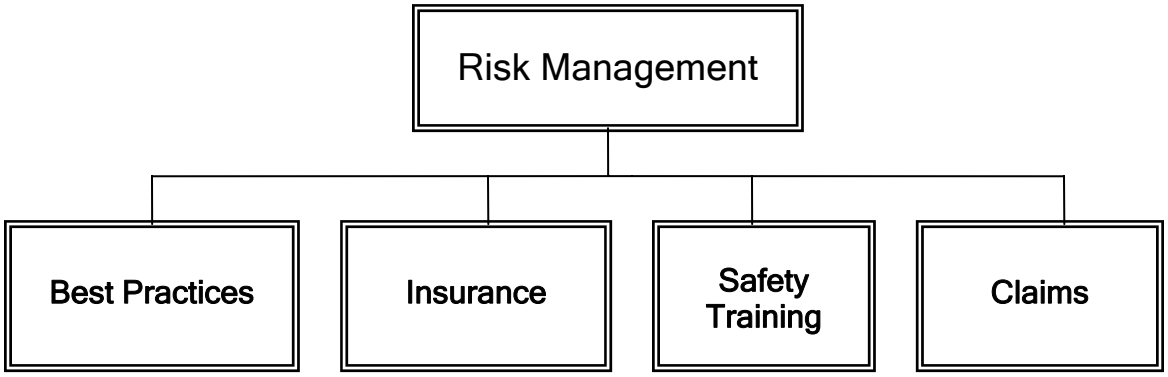
- Defended Agency and disposed of federal and state fair housing complaints with federal and state determination of Agency compliance with fair housing law.

- Worked with state legislative staff, state department of finance and stakeholders to negotiate post-redevelopment clean up legislation.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Legal				
Administrative Secretary	1.00	1.00	1.00	0.00
Agency Counsel	2.00	1.00	1.00	0.00
Environmental Analyst	1.00	1.00	1.00	0.00
General Counsel	1.00	1.00	1.00	0.00
Total Positions	5.00	4.00	4.00	0.00

Risk Management



This department has been integrated into the Human Resources department.

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Risk Management

Department Summary

The Risk Manager supports the legal, finance, human resources, real estate and procurement departments in reviewing, obtaining and securing appropriate insurance coverage as well as contract review for the Agency. The Risk Manager also develops Best Practices and implements training for staff and residents. The Agency obtains general liability, auto and property coverage from Housing Authority Insurance Group. All claims are processed through the Risk Management Department.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 132,004	$ -	$ -
Services and Supplies	64,706	-	-
Subtotal	196,710	-	-
Interdepartmental Charges-Eliminations	(196,710)	-	-
Required Funding	$ -	$ -	$ -

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Risk Management				
Management Analyst	1.00	0.00	0.00	0.00

SHRA Administrative Building

Sacramento Housing and Redevelopment Agency maintains its administrative headquarters at 801 12th Street in Sacramento. The building was purchased in 2008 in order to centralize Agency staff that was previously located in three separate locations. The extensive rehabilitation of the six story building garnered a LEED Silver Certification as a "green" building.

Appropriations reflect the costs of the debt service, annual operations of the building and capital outlay. All costs are charged out to the departments utilizing the building or are expenditures of capital reserves for scheduled system replacements/repairs.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Services and Supplies	$ 542,343	$ 515,993	$ 452,151
Debt Service	1,044,669	1,044,669	1,044,669
Capital Projects	350,000	-	-
Subtotal	1,937,012	1,560,662	1,496,820
Interdepartmental Charges-Eliminations	(1,500,000)	(1,500,000)	(928,428)
Required Funding	$ 437,012	$ 60,662	$ 568,392

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SECTION E

HOUSING AUTHORITY

Housing Authority

Summary of Appropriations and Employee Services Schedule

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 13,374,091	$ 12,902,430	$ 12,850,791
Services and Supplies	13,711,114	13,121,472	13,482,739
Interdepartmental Charges	6,655,099	8,315,144	8,583,665
Subtotal	33,740,304	34,339,046	34,917,195
Interdepartmental Charges-Eliminations	(4,126,725)	(5,557,242)	(6,017,613)
Subtotal	29,613,579	28,781,804	28,899,582
Other Charges:			
HAPS Payments	97,505,823	101,937,164	107,203,447
Debt Services	233,612	97,382	752,225
Financial Transactions/Redevelopment Activities	547,640	418,505	143,595
Capital Expenditures	6,954,853	2,117,112	2,863,865
Interdepartmental Charges-Eliminations	(479,121)	(319,292)	(247,365)
Required Funding	$ 134,376,386	$ 133,032,675	$ 139,615,349

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Public Housing	92.40	93.40	94.90	1.50
Public Housing Intake	4.50	5.25	4.50	-0.75
Total Public Housing	96.90	98.65	99.40	0.75

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Housing Choice Vouchers	56.60	59.60	60.60	1.00
Housing Choice Vouchers Intake	2.50	1.75	3.50	1.75
Total Housing Choice Vouchers	59.10	61.35	64.10	2.75

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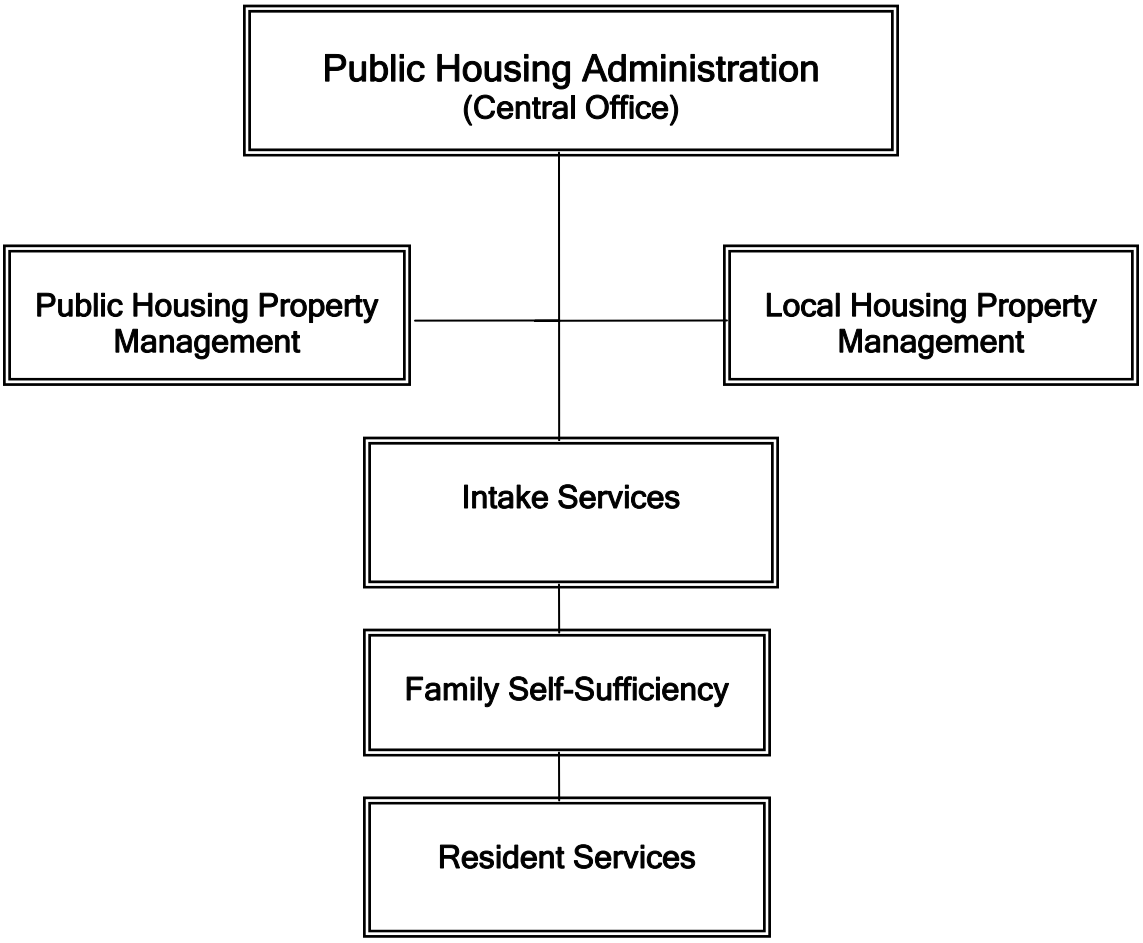
Public Housing



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Public Housing

Department Activities

The Housing Authority provides affordable housing for over 7,900 extremely low-, very low- and low-income families, seniors, and disabled individuals through the Conventional Public Housing Program. The Public Housing Program provides 3,012 apartments, duplexes, and some single family homes to qualified low income families. This housing is owned, managed, and maintained by the Housing Authority, making it one of the largest landlords in Sacramento County. The Housing Authority also owns and manages 290 affordable units comprising of tax credits, and local funds. The non-profit arm, Sacramento Housing Authority Repositioning Program Inc. (SHARP), owns and manages 2 project based voucher high-rise consisting of 153 elderly only units.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Public Housing Authority			
Salaries and Benefits	$ 7,888,121	$ 7,519,296	$ 7,576,432
Services and Supplies	11,015,348	10,704,607	10,824,022
Interdepartmental Charges	5,200,528	6,615,144	6,883,665
Subtotal	24,103,997	24,839,047	25,284,119
Interdepartmental Charges-Eliminations	(3,436,128)	(4,892,175)	(5,173,308)
Subtotal Public Housing Authority	20,667,869	19,946,872	20,110,811
Intake Services			
Salaries and Benefits	456,654	428,551	390,103
Services and Supplies	26,764	26,140	133,370
Subtotal	483,418	454,691	523,473
Interdepartmental Charges-Eliminations	(483,418)	(454,691)	(523,473)
Subtotal Intake	-	-	-
Grand Total	$ 20,667,869	$ 19,946,872	$ 20,110,811

Activities Detail

Property Management and Capital Planning

Public Housing Administration provides a full service approach to property management and maintenance. In addition to the regulatory requirements to conduct annual tenant recertification, staff also conduct extensive quality control inspections and fiscal audits to confirm program compliance. Examples of the specific types of activities include, but are not limited to the following:

Public Housing

- Maintaining a 97% occupancy rate.
- Modernizing the public housing stock.
- Collecting rents and rent collection enforcement.
- Using energy efficient appliances, doors, and windows.
- Preparing and leasing vacant units with 21 days.
- Responding to requests for maintenance within 24 hours.
- Inspecting all units and building systems annually.
- Keeping tenant accounts receivable low.
- Maintaining appropriate levels of operating reserves.
- Keeping operating expenses within resources and established budgets.
- Carrying out a program of Resident Initiatives.
- Maintaining a capacity to develop additional units.

Administrative and PHA Plans

Annually the Housing Authority updates its Admissions and Continued Occupancy Program (ACOP) and Public Housing Authority Plan (PHA Plan) which provides a comprehensive guide to public housing agency (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the Five-Year Plan, and the Annual Plan, which is submitted to HUD every year. It is through the Annual Plan that SHRA receives capital funding.

Site Inspections, Maintenance & Capital Improvements

General up-keep and maintenance of property is important for curb appeal and resident satisfaction. Regular site inspections using standard checklists are conducted at least annually by property management and maintenance staff. Inspection results are used to create the PHA Plan for capital improvements.

Public Housing

Audit

All Public Housing activities are audited to determine program compliance. Staff has developed various audit tools. They include on-site review and automated reporting using our YARDI database management system and independent audit by a qualified Certified Public Accounting firm. In 2012, multiple audits were conducted both by HUD and their contractors on the ARRA program and the Capital Fund Program (CFP) with no comments or findings.

Asset Repositioning

As a requirement from HUD the Housing Authority has developed an asset repositioning strategy for long term operation, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory. Today, to be successful a Housing Authority must apply asset management principles in the same way that a private investors does. As a result of the asset repositioning study SHRA has:

- Extended the useful life of some aging properties.
- Altered and/or retrofitted facilities to consolidate space or accommodate new functions and technologies.
- Improved residential property-based standards for safety, environmental quality, and accessibility.
- Disposed of excess property.
- Found innovative ways and technologies to maximize limited resources.

2013 Initiatives

- Seek HUD approval to expand home ownership opportunities through the sale of public housing single family homes subsidized by Neighborhood Stabilization Program (NSP) funds.
- Complete the Choice Neighborhood Planning Grant requirements.
- Submit a Choice neighborhood Implement Grant Application for up to $30,000,000 for the Twin Rivers public housing development.
- Submit an application for project-based vouchers for identified public housing developments.

Public Housing

2012 Accomplishments

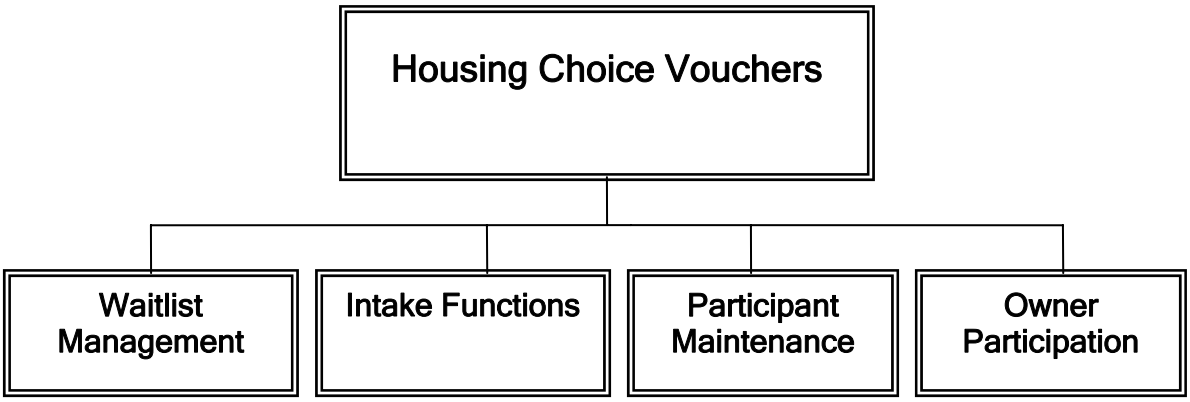
- Received HUD designation as a Public Housing High Performer Status Award.
- Completed rehabilitation of 626 I Street with funds from the American Recovery and Reinvestment Act of 2009 (ARRA) competitive grant; a part of the Federal stimulus package.
- Rehabilitated public housing units utilizing $5-6 million in ARRA weatherization grant funds from the United States Department of Energy
- Received HUD approval for disposition of a public housing elderly high-rise development.
- Acquired a 17 unit apartment complex through NSP.
- Expended 100% of the ARRA $10 Million competitive grant for the renovation of a108 unit elderly-only high-rise prior to the HUD deadline.
- Completed tenant improvements in a mixed use building for the use of the Housing Choice Voucher Program.
- Received renewal funding from the U.S. Department of Housing and Urban Development for a city and county Family Self Sufficiency (FSS) Coordinator to develop FSS program and recruit 50 additional participants. The FSS program is a five year program that assists residents with job searches and links to social services, and allows residents to save a portion of rent subsidy towards future major purchases such as a home, car, or college tuition.
- Implemented Global Positioning System (GPS) and Vehicle Fleet Management and Maintenance System for all Agency vehicles.

Public Housing

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Public Housing				
Assistant Director	1.20	1.20	1.20	0.00
Assistant Site Manager	2.00	3.00	3.00	0.00
Director	1.00	0.00	0.00	0.00
Housing Assistant	3.00	3.00	2.00	-1.00
Housing Authority Analyst	2.00	2.00	2.00	0.00
Housing Authority Specialist	2.00	3.00	3.00	0.00
Housing Authority Supervisor	1.00	0.00	0.00	0.00
Housing Technician	13.00	15.00	16.00	1.00
Maintenance specialist	2.00	2.00	2.00	0.00
Maintenance Technician	38.00	38.00	38.00	0.00
Maintenance Worker	8.00	8.00	8.00	0.00
Management Analyst	2.00	1.00	2.00	1.00
Principal Housing Authority Analyst	1.00	1.00	1.00	0.00
Program Manager	3.00	3.00	3.00	0.00
Program Technician	1.20	1.20	1.20	0.00
Senior Management Analyst	0.00	0.00	0.50	0.50
Site Manager	12.00	12.00	12.00	0.00
Total PHA Positions	92.40	93.40	94.90	1.50
Housing Assistant	2.00	2.00	2.00	0.00
Housing Authority Specialist	1.50	2.00	1.00	-1.00
Principal Housing Authority Analyst	0.50	0.50	0.50	0.00
Program Manager	0.00	0.25	0.50	0.25
Supervisor	0.50	0.50	0.50	0.00
Total Intake Positions	4.50	5.25	4.50	-0.75
Total Positions	96.90	98.65	99.40	0.75

Housing Choice Vouchers



- Department Summary
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Housing Choice Vouchers

Department Summary

The Housing Choice Voucher (HCV) program provides rental assistance to low-income families throughout Sacramento County. The Agency has authority to provide approximately 11,700 vouchers and maintains utilization at 98-100% of the vouchers available. Currently there are:

- 245 Veterans Affairs Supportive Housing (VASH) vouchers to assist homeless vets.

- 100 Non-elderly Disabled vouchers to serve families meeting this criteria who are either living in public housing or who are on the public housing waiting list.

- 569 project-based vouchers for the following properties:

    - 283 at Phoenix Park
    - 56 at Saybrook (serving previously homeless families)
    - 40 at Serna (also serving previously homeless families)
    - 77 at Washington Plaza (serving elderly families)
    - 76 at Sutterview (serving elderly families)
    - 37 to go to 7th and H Streets (serving homeless adults)

- 10,786 tenant-based vouchers

- 510 families receive tenant-based assistance through the Shelter Plus Care program which serves homeless families most in need of supportive services in order to maintain housing.

- 20 families receive Shelter Plus Care assistance at the Shasta Hotel

- 16 families receive Shelter Plus Care assistance at Boulevard Courts

Housing Choice Vouchers

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Housing Choice Vouchers			
Salaries and Benefits	$ 4,833,607	$ 4,756,299	$ 4,563,424
Services and Supplies	2,657,532	2,378,631	2,525,347
Debt Service	-	-	200,000
Interdepartmental Charges	1,454,571	1,700,000	1,700,000
Subtotal Housing Choice Vouchers	8,945,710	8,834,930	8,988,771
Intake Services			
Salaries and Benefits	195,709	198,282	320,832
Services and Supplies	11,470	12,094	-
Subtotal Intake	207,179	210,376	320,832
Interdepartmental Charges-Eliminations	(207,179)	(210,376)	(320,832)
Subtotal Intake	-	-	-
Grand Total	$ 8,945,710	$ 8,834,930	$ 8,988,771

Activities Detail

HCV Waitlist Management

It is important to manage a current waiting list of sufficient number to fill vacancies in order to maintain usage of 100% of the vouchers we receive from HUD. There are currently six waitlists available for the HCV program. In this way, HCV program can be responsive and efficient helping low-income families live where they choose to live.

Intake Functions

When vacancies occur, staff “pull” families from the waiting list and begin the process to determine their eligibility to participate in the program. Staff may meet with families on an individual basis or in larger groups to explain the program rules and regulations.

Maintenance of Participating Families

Participating families must annually recertify that they are still eligible to participate in the program. This documentation is electronically submitted to HUD. Participating families must also have their rental unit inspected annually to ensure that it still meets Housing Quality Standards. Families must promptly report any changes in household composition and/or income to ensure that the housing is appropriate and affordable for the family.

Housing Choice Vouchers

Owner Participation
The HCV program could not exist without participating landlords so continuing to market to the landlord community is key. Owner outreach and training and other efforts to make the program accessible to landlords is important. Issuing timely and accurate payments and providing assistance when there are questions or problems are also key elements.

2013 Initiatives

- Expanded use of the internet so that applicants are managing the information we receive while they are on the wait lists. Changes in address, income and family members would be reported directly.
- Implementation and expanded use of a landlord portal where landlords can have better visibility of Housing Authority activities concerning their rental properties: inspections and payments will be more available and visible.
- Use of debit cards to pay tenants the utility reimbursements so that we eliminate the use of issuing and mailing checks entirely.

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2012 Accomplishments

- Opened the HCV tenant-based wait list and received more than 49,000 applications. A total of 3,000 families were accepted onto the waitlist. This is expected to be sufficient to fill program vacancies for the next two years. The last time this wait list opened was in September, 2006.
- Began paying landlords via direct deposit. We plan to have 100% of participating landlords receiving their rent payments via direct deposit.
- Improve business operations for participating landlords by creating a secure portal to track payments, inspections and other related information on line.
- Received a score of 86% in HUD's evaluation (which is 4 points away from becoming a high performing agency).
- Relocated to 630 I Street to a Housing Authority-owned building. This will allow the Housing Authority to control its future.
- Implemented a kiosk system for office visitors so that can more quickly sign in to be seen. This provides improved customer service and streamlines the process for staff also.

Housing Choice Vouchers

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
HCV				
Assistant Director	0.80	0.80	0.80	0.00
Assistant Site Manager	1.00	1.00	1.00	0.00
Housing Assistant	12.00	13.00	11.00	-2.00
Housing Authority Analyst	1.00	2.00	2.00	0.00
Housing Authority Specialist	33.00	35.00	38.00	3.00
Principal Housing Authority Analyst	3.00	2.00	2.00	0.00
Program Manager	2.00	1.00	1.00	0.00
Program Technician	0.80	0.80	0.80	0.00
Supervisor	3.00	4.00	4.00	0.00
Subtotal Housing Choice Voucher Positions	56.60	59.60	60.60	1.00
Housing Assistant	0.00	0.00	1.00	1.00
Housing Authority Specialist	0.50	0.00	1.00	1.00
Principal Housing Authority Analyst	1.50	0.50	0.50	0.00
Program Manager	0.00	0.75	0.50	-0.25
Supervisor	0.50	0.50	0.50	0.00
Subtotal Intake Positions	2.50	1.75	3.50	1.75
Total Positions	59.10	61.35	64.10	2.75

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SECTION F

HOUSING AND COMMUNITY DEVELOPMENT

Housing and Community Development

Summary of Appropriations and Employee Services Schedule

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 5,309,609	$ 3,573,947	$ 1,908,050
Services and Supplies	745,955	492,705	354,108
Interdepartmental Charges	2,902,044	2,411,875	1,249,660
Subtotal	8,957,608	6,478,527	3,511,818
Other Charges:			
Debt Services	19,037,947	21,715,966	1,350,686
Financial Transactions/Redevelopment Activities	7,855,777	21,682,229	60,966
Capital Expenditures	37,867,681	15,741,450	15,748,030
Required Funding	$ 73,719,013	$ 65,618,172	$ 20,671,500

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Community Development	22.00	14.00	14.00	0.00
Development Finance	27.00	18.00	17.50	-0.50
Policy and Planning*	4.00	0.00	0.00	0.00
Total Positions	53.00	32.00	31.50	-0.50

*This department has been integrated into the Executive Director's department.

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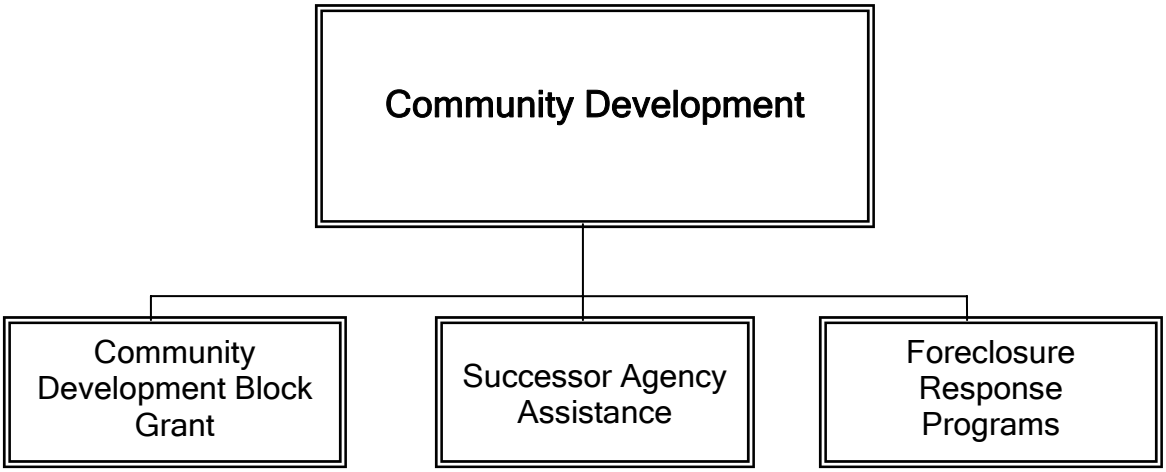
Community Development



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Community Development

Department Summary

The Community Development Department (Department) works with various stakeholders to bring about positive change through investments in targeted neighborhoods. The primary responsibilities of the department include redevelopment successor agency assistance to the City and County of Sacramento, federally-funded programs including Community Development Block Grant (CDBG) and Neighborhood Stabilization Program (NSP), community outreach, and SHRA's Brownfields Program.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 2,385,057	$ 1,668,077	$ 849,093
Services and Supplies	239,017	213,015	184,488
Interdepartmental Charges	1,102,708	939,628	467,989
Total	$ 3,726,782	$ 2,820,720	$ 1,501,570

Activities Detail

Successor Agency Assistance

The Department assists the City and County with the wind down activities of the former redevelopment project areas. Activities include staffing the County of Sacramento's Oversight Board, managing projects, clean-up of environmentally contaminated sites, and coordination with State of California departments overseeing the wind down activities.

Community Development Block Grant (CDBG)

The CDBG program develops viable urban communities by providing decent housing, a suitable living environment, and economic opportunities principally for persons of low- and moderate-income. CDBG funds are used for a wide variety of eligible activities including: housing rehabilitation, homeownership assistance, infrastructure construction, public services, and planning activities, among others.

Foreclosure Response Programs

The Department administers two programs aimed at curbing the impact of foreclosed properties in the City and County of Sacramento. The first is the Neighborhood Stabilization Program (NSP), which is one of the federal stimulus fund packages intended to stabilize neighborhoods that are hardest hit by the foreclosure crisis. In Sacramento funds are used to purchase foreclosed and/or vacant homes and residential properties. While NSP funds are focused on recovery and redevelopment of vacant, abandoned foreclosed homes, there is flexibility in the program for rehabilitation, redevelopment, demolition, re-construction, and land-banking of vacant foreclosed

properties. Additionally, the Department administers the Foreclosure Access Program, which provides bank-owned properties to pre-qualified builders to rehabilitate and resell to owner occupants.

2013 Initiatives

- Complete major redevelopment projects on behalf of the City and County Successor Agencies such as Zinfandel Drive Sewer Extension and Freedom Park Drive Complete Street at McClellan.

- Continue third round of Neighborhood Stabilization Program funding consistent with current efforts to address vacant and foreclosed properties.

- Complete the 2013-2017 Consolidated Plan Process for federal HUD funding.

2012 Accomplishments

- Completed numerous improvements at McClellan Park that assisted with lease-up of commercial space, enhanced Park security, provided additional parking, improved air operation safety equipment and enhanced the entry points to the Park and airport.

- Continued to assemble the San Juan Opportunity Site on Stockton Boulevard, providing a 5.5 acre opportunity site.

- Completed infrastructure improvements such as the Elvas Avenue Sidewalk and Landscaping Project; the Power Inn Road Beautification; the Redding Avenue Complete Street, Alkali Flat Ornamental Historic Streetlights Project, the Zinfandel Road Extension at Mather, and the Dudley rail crossing and Phase I of the Freedom Park Drive Complete Street at McClellan.

- Completed quality of life projects such as the MLK Community Garden in Oak Park and the Hagginwood Soccer Field in Del Paso Heights.

- Leveraged resources to complete the Boarding House Parking Lot, Restroom, and Water Tank Projects in the Historic Delta Town of Locke.

- Obligated over $30 million of NSP1 entitlement funds within 18-months of award and impacted over 360 formerly foreclosed upon housing units in the City and County of Sacramento. 160 homes have been rehabilitated and sold/leased with over 800 jobs retained and 84 new hires.

Community Development

- Successfully submitted applications to HUD for $8,350,000 for the third round of Neighborhood Stabilization Program and $600,000 for Choice Neighborhoods.

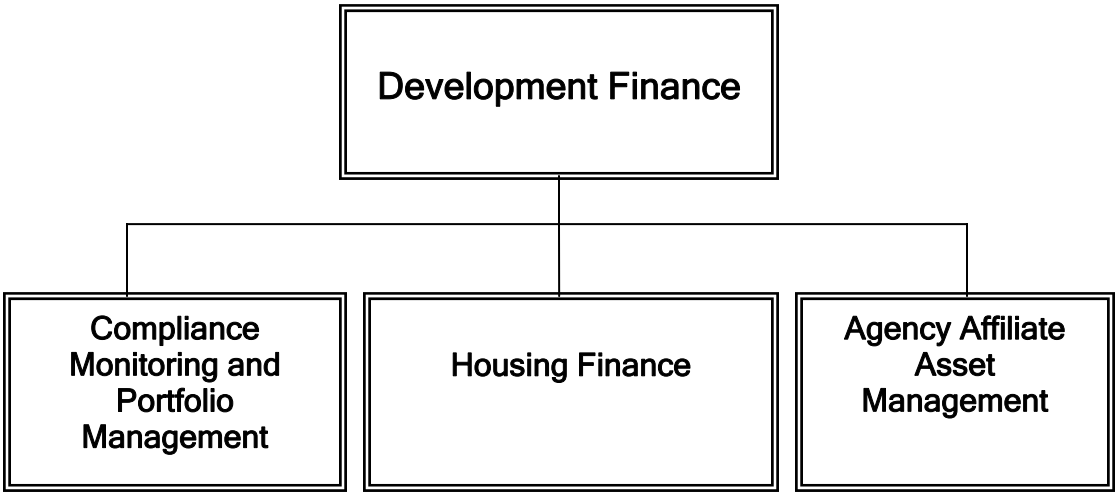
- Received "No Further Action" status on environmental clean-up projects at 4700 Stockton Boulevard, formerly the River City Motel, and La Valentina.

- Received awards from State of California totaling approximately $1.4 million in Brownfields funding to remediate hazardous substances at the El Monte neighborhood in North Sacramento and targeted sites on Del Paso Boulevard.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Community Development				
Assistant Director	3.00	2.00	1.00	-1.00
Director	1.00	0.00	0.00	0.00
GIS Analyst	1.00	1.00	1.00	0.00
Management Analyst	0.00	0.00	1.00	1.00
Office Technician	1.00	1.00	0.00	-1.00
Program Manager	3.00	2.00	3.00	1.00
Redevelopment Analyst	2.00	2.00	2.00	0.00
Redevelopment Planner	11.00	6.00	6.00	0.00
Total Positions	22.00	14.00	14.00	0.00

Development Finance



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Development Finance

Department Activities

The Development Finance Department invests public funds in construction and rehabilitation projects that expand and preserve the supply of affordable housing and home ownership opportunities. In addition, the department oversees the implementation of affordable housing ordinances for both the City and unincorporated County of Sacramento. The department ensures that investments maintain their value over time by monitoring the Agency's loan portfolio for fiscal performance and for regulatory compliance. Staff conducts on-site inspections of housing operations for quality standards, as well as managing key Agency real estate assets. Lastly, the department provides asset management for Sacramento Housing and Redevelopment Agency affiliated organizations, such as Norwood Housing Corporation.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 2,275,893	$ 1,905,870	$ 1,058,957
Services and Supplies	330,966	279,690	169,620
Interdepartmental Charges	1,493,840	1,472,247	781,671
Total	$ 4,100,699	$ 3,657,807	$ 2,010,248

Activities Detail

The department implements a wide range of multifamily and home ownership programs throughout the City and unincorporated County of Sacramento. Examples of specialized reports and plans include, but are not limited to:

- Annual Housing Trust Fund Reports.
- Annual Single Room Occupancy (SRO) Preservation Report.
- Bi-Annual County Affordable Housing Report.
- County Fee Waivers Tracking.
- Annual City and County Housing Element Updates.
- Monthly Portfolio Management Activities/Trend Report.

- Consolidated Annual Performance and Evaluation Report (CAPER) of HOME (federal funds) accomplishments.

Multifamily Affordable Housing Financing
Facilitate issuance of Mortgage Revenue Bonds and provide gap financing for affordable housing developments throughout the City and unincorporated County of Sacramento.

Affordable Housing Policy Implementation
Approve and develop Inclusionary Housing Plans and Agreements to ensure new developments in the unincorporated County and new growth areas of the City of Sacramento meet required affordable housing obligations. Monitor and report on adopted polices such as the Housing Trust Fund and Single Room Occupancy (SRO) Ordinances.

Single Family Development Financing and Homeownership Services
Monitor the development and financing of the Del Paso Nuevo single family residential subdivisions. Provide a variety of homebuyer assistance programs to income qualified families.

Compliance Monitoring and Portfolio Management
Provides ongoing monitoring of completed projects.

2012 Accomplishments

- Provided approximately $14.3 million in Multifamily Loan assistance to 6 projects totaling 748 of affordable units (Township 9, Kelsey Village, Garden Village, Ridgeway Studios, Taylor Terrace, and New Seasons).

- Completed renovation and/or construction of 15 multifamily developments totally 733 newly affordable or preserved units (Folsom Oaks, Foothill Farms, La Valentina, Morrison Creek Estates, Norcade Circle – EPO, Maydestone, Villa DeNovo, Coral Gables, Norwood Estates, Norwood Avenue, Riverview Apartments, Forestwood at Folsom, Palmer Apartments, Norcade Circle – HA, North Highlands VOA).

- In support of the City's Mixed-Income Housing Ordinance and County's Affordable Housing Ordinance, staff worked with the development community to approve affordable housing plans.

- Submitted applications resulting in an award of $9.5 million for new Mortgage Credit Certificates (MCC) and $1 million in State CalHome funds.

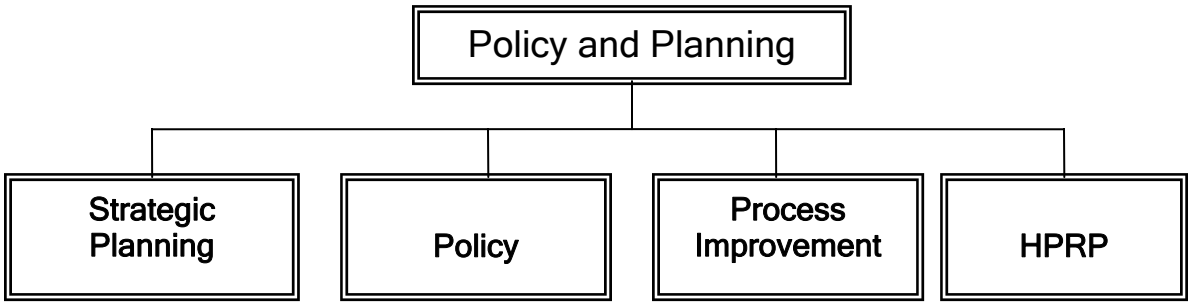
Development Finance

- Approved financing for 125 families for Home Buyer and MCC programs.
- Processed loans, grants, and income certifications necessary to complete rehabilitation of over 90 owner-occupied single family homes.
- Managed a portfolio of over 1,500 loans totally $286 million.
- Physically inspected over 2,550 residential units in 191 multifamily properties consisting of over 23,000 units.
- Audited over 2,650 tenant files.
- Completed CDLAC Certification on 83 Mortgage Revenue Bond Projects.
- Renegotiated HELP loan repayment schedule for Phoenix Park, Issued a Request for Qualifications to rehabilitate SHARP properties, and issued a Request for Proposals for property management services for Norwood Housing Corporation.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Development Finance				
Assistant Director	2.00	1.00	1.00	0.00
Director	1.00	0.00	0.00	0.00
Housing Finance Analyst	8.00	4.00	4.00	0.00
Loan Processing Analyst	2.00	2.00	2.00	0.00
Loan Servicing Analyst	1.00	1.00	1.00	0.00
Management Analyst	3.00	1.00	1.00	0.00
Office Technician	2.00	1.00	1.00	0.00
Principal Loan Processing Analyst	1.00	1.00	1.00	0.00
Principal Regulatory Compliance Analyst	1.00	1.00	1.00	0.00
Program Manager	2.00	1.00	1.00	0.00
Program Technician	1.00	1.00	1.00	0.00
Redevelopment Analyst	1.00	1.00	1.00	0.00
Regulatory Compliance Analyst	1.00	1.00	1.00	0.00
Senior Management Analyst	0.00	1.00	0.50	-0.50
Supervisor	1.00	1.00	1.00	0.00
Total Positions	27.00	18.00	17.50	-0.50

Policy and Planning



This department has been integrated into the Executive Director's department.

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Policy and Planning

Department Summary

The Policy and Planning Department provides strategic planning development, assists in forming strategic partnerships and coordinates resources to support programs that align with the Agency's mission. The Department oversees legislative policy issues, the grants management system, and facilitates key research and knowledge generation and sharing to increase Agency effectiveness. Department develops high-quality policy and program recommendations and assists with cross agency process improvements.

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 648,659	$ -	$ -
Services and Supplies	175,972	-	-
Interdepartmental Charges	305,496	-	-
Total	$ 1,130,127	$ -	$ -

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Policy and Planning				
Assistant Director	1.00	0.00	0.00	0.00
Deputy Executive Director	1.00	0.00	0.00	0.00
Management Analyst	1.00	0.00	0.00	0.00
Redevelopment Analyst	1.00	0.00	0.00	0.00
Total Positions	4.00	0.00	0.00	0.00

SECTION G

REAL ESTATE AND CONSTRUCTION SERVICES

Real Estate and Construction Services

Summary of Appropriations and Employee Services Schedule

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 3,010,732	$ 2,055,363	$ 1,421,366
Services and Supplies	345,631	404,216	372,829
Interdepartmental Charges	1,505,367	1,287,526	622,147
Total	$ 4,861,730	$ 3,747,105	$ 2,416,342

Department	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Real Estate and Construction Services	3.50	2.00	14.00	12.00
Procurement Services	10.00	5.00	5.00	0.00
Construction and Design Services*	11.47	8.00	0.00	-8.00
Real Estate Services*	4.00	0.00	0.00	0.00
Public Housing Design and Construction Services*	5.53	4.00	0.00	-4.00
Total Real Estate and Construction Services	34.50	19.00	19.00	0.00

*This department has been integrated into the Real Estate and Construction Services department.

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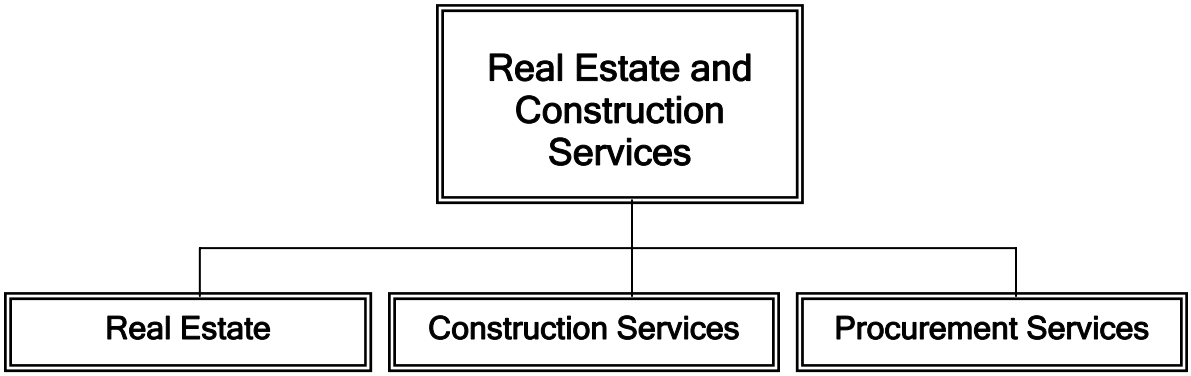
Real Estate and Construction Services



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Real Estate and Construction Services

Department Summary

The Real Estate and Construction Services Department is composed of three divisions:

1. Real Estate and Construction Services
2. Procurement Services

The members of these divisions work to ensure that all agency activities will be compliant with federal, state, and local requirements for:

- Eligible use of funds
- Appropriate disbursement of project funds
- Hiring (non-staff) and contracting practices
- Procurement practices
- Historical preservation
- Design and construction of projects

Appropriation Summary

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Salaries and Benefits	$ 3,010,732	$ 2,055,363	$ 1,421,366
Services and Supplies	345,631	404,216	372,829
Interdepartmental Charges	1,505,367	1,287,526	622,147
Total	$ 4,861,730	$ 3,747,105	$ 2,416,342

Real Estate and Construction Services

Activities Detail

Real Estate

Real Estate provides centralized consulting and services including appraisals, lease and purchase negotiations, and documentation and closing of transactions for real property, purchased and sold on behalf of the Agency. The department performs site reviews, prepares and approves escrow instructions, grant deeds and legal descriptions, and manages consulting Brokers.

Construction Services

Construction Services is responsible for the design, management, and contract compliance of a wide variety of Agency and private party construction projects in both the City and County. Projects include rehabilitation and new construction loans to owners and developers, commercial storefront upgrades, the Emergency Repair and Accessibility Program grants (ERP-A), Rehabilitation Loans and various Single Family Loan Programs, and finally, the design and delivery of capital improvement projects and modernization of the conventional housing stock.

Procurement Services

The Procurement Services Division centralizes most Agency construction bidding activities into a single administrative unit and procures commercial and professional services, supplies and equipment for the Agency. The Division is also responsible for monitoring procurement and labor activities for compliance with all applicable federal, state and local regulations. Additionally, the Division ensures that the Agency provides effective outreach for both Minority – and Women-owned Business Enterprises (M/WBE) and Small Business utilization, as well as enforcement of applicable labor standards required for federal- and state-funded projects.

2013 Initiatives

- Continue to support the various Neighborhood Stabilization Programs (NSP) with real estate and construction services; rehabilitation of single family homes for homeownership and the rehabilitation of 3 fourplexes at Norcade Circle.
- Continue the modernization of various public housing properties.
- Continue to provide construction oversight for the many lending programs the Agency offers, including Martin Luther King Villages and Kelsey Village.
- Continue to work with interested parties to lease available space at 600 I Street.
- Market and dispose of surplus real estate assets.

Real Estate and Construction Services

2012 Accomplishments

- Rehabilitation of 626/630 I Street to house 108 senior residents and the Housing Choice Voucher program.
- Oversaw the rehabilitation of 50 single family homes sold through the NSP program.
- Completed various streetscape projects, Locke water tank and parking lot projects, Chinese Community project and the demolition of various other properties.
- Housing projects, including the renovation of Las Victorianas.
- Oversaw the completion of 12 four-plexes on Lerwick Avenue.
- Rehabilitation of Villa De Novo, a 17 unit complex in the Hagginwood Manor area.

Real Estate and Construction Services

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Real Estate and Construction Services				
Assistant Director	1.00	1.00	0.00	-1.00
Clerical Assistant	0.50	0.00	0.00	0.00
Director	1.00	0.00	0.00	0.00
Management Analyst	1.00	0.00	0.00	0.00
Real Estate Analyst	0.00	1.00	1.00	0.00
Construction Technician	0.00	0.00	7.00	7.00
Office Technician	0.00	0.00	1.00	1.00
Principal Construction Technician	0.00	0.00	1.00	1.00
Program Manager	0.00	0.00	1.00	1.00
Senior Management Analyst	0.00	0.00	3.00	3.00
Subtotal RE & CS Administration	3.50	2.00	14.00	12.00
Procurement Services				
Buyer	4.00	1.00	2.00	1.00
Compliance Analyst	3.00	2.00	2.00	0.00
Office Technician	1.00	0.00	0.00	0.00
Principal Procurement Services Analyst	1.00	1.00	0.00	-1.00
Supervisor	1.00	1.00	1.00	0.00
Subtotal Procurement	10.00	5.00	5.00	0.00
Construction and Design Services				
Construction Technician	5.30	4.00	0.00	-4.00
Office Technician	0.67	0.00	0.00	0.00
Principal Construction Architect	1.00	0.00	0.00	0.00
Principal Construction Technician	1.30	1.00	0.00	-1.00
Program Manager	1.20	0.00	0.00	0.00
Project Manager	1.00	0.00	0.00	0.00
Senior Management Analyst	1.00	3.00	0.00	-3.00
Subtotal Construction and Design	11.47	8.00	0.00	-8.00
Real Estate Services				
Program Manager	2.00	0.00	0.00	0.00
Real Estate Analyst	1.00	0.00	0.00	0.00
Real Estate Specialist	1.00	0.00	0.00	0.00
Subtotal Real Estate Services	4.00	0.00	0.00	0.00
Public Housing Design and Construction Services				
Construction Technician	2.70	3.00	0.00	-3.00
Office Technician	0.33	0.00	0.00	0.00
Principal Construction Technician	1.70	0.00	0.00	0.00
Program Manager	0.80	1.00	0.00	-1.00
Subtotal Public Housing Design and Construction	5.53	4.00	0.00	-4.00
Total Positions	34.50	19.00	19.00	0.00

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SECTION H

AFFILIATED ORGANIZATIONS

Affiliated Organizations

Summary of Appropriations and Employee Services Schedule

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Services and Supplies	$ 55,001	$ 71,032	$ -
Interdepartmental Charges	113,013	177,434	-
Subtotal	168,014	248,466	-
Other Charges:			
Debt Services	19,612,254	23,541,180	-
Financial Transactions/Redevelopment Activities	6,463,596	8,444,697	-
Public Services	4,502,050	3,562,536	5,131,797
Capital Projects	4,496,337	150,000	-
Subtotal	35,074,237	32,135,877	5,131,797
Interdepartmental Charges-Eliminations		(4,000,000)	-
Required Funding	$ 35,242,251	$ 28,384,343	$ 5,131,797

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Community Social Services				
Account Clerk	1.00	1.00	0.00	-1.00
Program Manager	1.00	1.00	0.00	-1.00
Total Positions	2.00	2.00	0.00	-2.00

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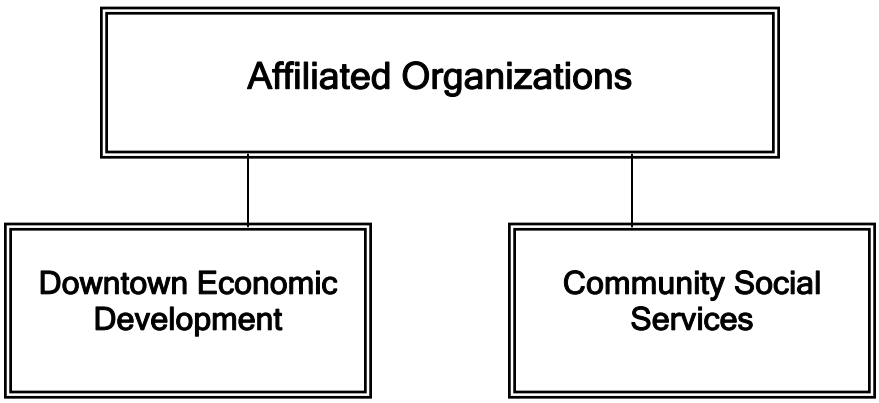
Affiliated Organizations



- Department Summaries
- Appropriation Summary
- 2013 Initiatives
- Employee Services Schedule

Affiliated Organizations

Department Summaries

Downtown Economic Development

Since September 1997, the Agency has contracted with the City of Sacramento's Downtown Economic Development Department to attract new business and industry to the City while expanding and retaining existing business through redevelopment activities in the Merged Downtown and River District (formerly Richards Boulevard) redevelopment project areas. The Railyards redevelopment project area was adopted in 2008 and was included as a responsibility of the City Downtown Economic Development Department. With the elimination of redevelopment effective 2/1/2012, the Agency's contract with the City of Sacramento's Economic Development Department was cancelled.

Activities Detail

Downtown Economic Development is now tasked with serving as staff for the redevelopment oversight board and the City of Sacramento as Successor Agency of the former Redevelopment Agency.

Appropriation Summary

Downtown Economic Development

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Services and Supplies	$ 55,001	$ 71,032	$ -
Interdepartmental Charges	113,013	177,434	-
Debt Services	19,612,254	23,541,180	-
Redevelopment and Financial Transactions	6,463,596	8,444,697	-
Subtotal	26,243,864	32,234,343	-
Interdepartmental Charges-Eliminations		(4,000,000)	-
Total	$ 26,243,864	$ 28,234,343	$ -

Community Social Services

Since the beginning of 1994, the Community/Social Services programs have been managed by the County of Sacramento Department of Human Assistance (DHA). Beginning in 2012 several functions administered by DHA transitioned to the newly formed non-profit Sacramento Steps Forward (SSF). Additionally, beginning in 2012 and continuing in 2013, SHRA began assuming specific programs previously administered by DHA.

SSF will coordinate various funding sources including Agency funds to support the continuum of care programs including: transitional housing programs and permanent supportive housing programs.

Affiliated Organizations

SHRA will assume administration of the Shelter Plus Care, Housing Opportunities for Persons With AIDS (HOPWA) and Emergency Shelter Grants (ESG) programs from DHA.

Other non-profits will administer Senior Nutrition programs.

Appropriation Summary

Community Social Services

Type of Expense	Budget 2011	Budget 2012	Budget 2013
Public Services	$ 4,502,050	$ 3,562,536	$ 5,131,797

2013 Initiatives

Community Social Services

- Continue transition of the homeless delivery system to Sacramento Steps Forward.
- Complete transition of ESG and HOPWA programs to SHRA.

Employee Services Schedule

	2011 Budget	2012 Budget	2013 Budget	Increase (Decrease)
Community Social Services				
Account Clerk	1.00	1.00	0.00	-1.00
Program Manager	1.00	1.00	0.00	-1.00
Total Positions	2.00	2.00	0.00	-2.00

PUBLIC SERVICES BY CATEGORY

	City	County	Total	Source
Administration				
HOPWA Administration	$ 37,684	$ -	$ 37,684	HOPWA-City
Administration	11,318		11,318	ESG-City
Administration		11,367	11,367	ESG- County
Delivery	45,269		45,269	ESG-City
Delivery		45,469	45,469	ESG- County
Sacramento Steps Forward	69,621	-	69,621	CDBG - City
Sacramento Steps Forward	-	134,000	134,000	CDBG - County
Sacramento Steps Forward	139,060	-	139,060	PILOT - City
Sacramento Steps Forward	-	87,573	87,573	PILOT - County
Sacramento Steps Forward		358,000	358,000	Multi-Family Supplemental Assessment
DHA Transition of Homeless Administration		75,000	75,000	Multi-Family Supplemental Assessment
	302,952	711,409	1,014,361	
Community Services				
SRO Collaborative	120,000	-	120,000	CDBG - City
Rental Assistance				
HOPWA Case Management	595,582	-	595,582	HOPWA-City
HOPWA Short-term Rent Mortgage Utilities (STRMU)	240,466	-	240,466	HOPWA-City
Homeless Prevention & Rapid Re-Housing	83,502	-	83,502	ESG-City
Homeless Prevention & Rapid Re-Housing		84,014	84,014	ESG- County
LSS	194,421	-	194,421	Housing Successor-City
Transitional Living Community Support	237,307	-	237,307	Housing Successor-City
VOA Readiness	244,272	-	244,272	Housing Successor-City
Boulevard Court	396,864		396,864	Housing Successor-City
Shasta Hotel	100,000		100,000	Housing Successor-City
Mutual Housing at the Highlands		296,000	296,000	Housing Successor-County
	2,092,414	380,014	2,472,428	
Senior Nutrition				
Senior Nutrition Program	431,625	-	431,625	CDBG - City
Senior Nutrition Program	-	378,778	378,778	CDBG - County
Senior Nutrition	431,625	378,778	810,403	
Shelter				
Shelter/Detox Facility	-	156,212	156,212	CDBG - County
ESG Emergency Shelter	278,652	-	278,652	ESG-City
ESG Emergency Shelter	-	279,741	279,741	ESG- County
	278,652	435,953	714,605	
Totals	$ 3,225,643	$ 1,906,154	$ 5,131,797	

SECTION I

PROJECTS AND PROGRAMS SCHEDULE

PROJECTS BY TYPE

Project Type	Funding Source	Description	Appropriation
Commercial	Com/Ind Revolving (CDBG) Loans - City	Commercial Revitalization program	$ 93,019
	Com/Ind Revolving (CDBG) Loans - County	Commercial Revitalization program	254,791
		Subtotal	$ 347,810
Housing Authority Capital Projects	Conventional Housing - Capital Fund Program - City - 2013	Modernization	$ 1,347,739
	Conventional Housing - Capital Fund Program - Co - 2013	Modernization	704,892
	Riverview Plaza - Commercial	Tenant Improvements	259,805
		Subtotal	$ 2,312,436
Housing Development and Preservation	Affordable Hsg Pgm Entitlement	Housing Development Assistance	$ 302,660
	Affordable Hsg Pgm In-lieu	Housing Development Assistance	26,733
	CalHOME - City - 2010	Rehab loans	1,065,662
	CalHOME - County - 2008	Housing Development Assistance	1,000,000
	CalHOME Revolving Loan Fund - City	First-time Homebuyer Assistance Program	99,817
	CalHOME Revolving Loan Fund - County	First-time Homebuyer Assistance Program	31,956
	City Inclusionary Housing	Housing Development Assistance	51,497
	First Time Home Buyer CDBG Revolving Loan - City	First-time Homebuyer Assistance Program	2,739
	First Time Home Buyer CDBG Revolving Loan - County	First-time Homebuyer Assistance Program	28,134
	HOME - City 2013	Multi-family New Construction	834,539
	HOME - City 2013	Multi-Family Acquisition Rehab	834,539
	HOME - County 2009	Multi-Family Acquisition Rehab	728,342
	HOME - County 2013	Citrus Heights First Time Home-Buyer Prog	276,580
	HOME - County 2013	Multi-Family Acquisition Rehab	674,436
	HOME - County 2013	Multi-family New Construction	674,436
	HOME Revolving Loans - City	Multi-family Housing Acquisition/Rehab	332,447
	HOME Revolving Loans - County	Multi-family Rehab	640,477
	Housing Trust Fund - City	Housing Development Assistance	547,124
	Housing Trust Fund - County	Housing Development Assistance	1,138,817
	HSA-Project fund	Holding costs	1,975
	HSA-Project fund	Holding costs	299,454
	MHSA	Housing Development Assistance	373,727
	Mortgage Revenue Bonds	Choice Neighborhood Initiative	250,000
	Multi-Family Rental Rehab Program - City	Multi-family Housing Acqu/Rehab	49,370
	Rehab Revolving (CDBG) Loans - County	Single Family Rehabilitation Program	276,541
	Rehabilitation Revolving (CDBG) Loans - City	Single Family Rehabilitation Program	125,410
		Subtotal	$ 10,667,412
Infrastructure and Public Improvements	Community Development Block Grant - City - 2013	Capital Reserve	$ 321,131
	Community Development Block Grant - City - 2013	CDBG Projects	2,003,490
	Community Development Block Grant - County - 2013	Agreement Cities	300,000
	Community Development Block Grant - County - 2013	Capital Reserve	300,015
	Community Development Block Grant - County - 2013	CDBG Projects	2,359,601
		Subtotal	$ 5,284,237
		TOTAL	$ 18,611,895

PROJECTS BY FUNDING SOURCE

Funding Source	Project Type	Description	Appropriation	Environmental
HSA-Project fund	Housing Development and Preservation	Holding costs	$ 299,454	Not completed
		Subtotal	$ 299,454	
HSA-Project fund	Housing Development and Preservation	Holding costs	$ 1,975	Not completed
		Subtotal	$ 1,975	
Community Development Block Grant - City - 2013	Infrastructure and Public Improvements	CDBG Projects	$ 2,003,490	Not completed
Community Development Block Grant - City - 2013	Infrastructure and Public Improvements	Capital Reserve	321,131	Not completed
		Subtotal	$ 2,324,621	
Community Development Block Grant - County - 2013	Infrastructure and Public Improvements	Agreement Cities	$ 300,000	Not completed
Community Development Block Grant - County - 2013	Infrastructure and Public Improvements	CDBG Projects	2,359,601	Not completed
Community Development Block Grant - County - 2013	Infrastructure and Public Improvements	Capital Reserve	300,015	Not completed
		Subtotal	$ 2,959,616	
Com/Ind Revolving (CDBG) Loans - City	Commercial	Commercial Revitalization program	$ 93,019	Not completed
		Subtotal	$ 93,019	
Rehabilitation Revolving (CDBG) Loans - City	Housing Development and Preservation	Single Family Rehabilitation Program	$ 125,410	Not completed
		Subtotal	$ 125,410	
Multi-Family Rental Rehab Program - City	Housing Development and Preservation	Multi-family Housing Acqu/Rehab	$ 49,370	Not completed
		Subtotal	$ 49,370	
First Time Home Buyer CDBG Revolving Loan - City	Housing Development and Preservation	First-time Homebuyer Assistance Program	$ 2,739	Not completed
		Subtotal	$ 2,739	
Com/Ind Revolving (CDBG) Loans - County	Commercial	Commercial Revitalization program	$ 254,791	Not completed
		Subtotal	$ 254,791	
Rehab Revolving (CDBG) Loans - County	Housing Development and Preservation	Single Family Rehabilitation Program	$ 276,541	Not completed
		Subtotal	$ 276,541	
First Time Home Buyer CDBG Revolving Loan - County	Housing Development and Preservation	First-time Homebuyer Assistance Program	$ 28,134	Not completed
		Subtotal	$ 28,134	
HOME Revolving Loans - City	Housing Development and Preservation	Multi-family Housing Acquisition/Rehab	$ 332,447	Not completed
		Subtotal	$ 332,447	

PROJECTS BY FUNDING SOURCE

Funding Source	Project Type	Description		Appropriation	Environmental
HOME Revolving Loans - County	Housing Development and Preservation	Multi-family Rehab		$ 640,477	Not completed
			Subtotal	$ 640,477	
HOME - City 2013	Housing Development and Preservation	Multi-family New Construction		$ 834,539	Not completed
HOME - City 2013	Housing Development and Preservation	Multi-Family Acquisition Rehab		834,539	Not completed
			Subtotal	$ 1,669,078	
HOME - County 2009	Housing Development and Preservation	Multi-Family Acquisition Rehab		$ 728,342	Not completed
			Subtotal	$ 728,342	
HOME - County 2013	Housing Development and Preservation	Multi-Family Acquisition Rehab		$ 674,436	Not completed
HOME - County 2013	Housing Development and Preservation	Multi-family New Construction		674,436	Not completed
HOME - County 2013	Housing Development and Preservation	Citrus Heights First Time Home-Buyer Prog		276,580	Not completed
			Subtotal	$ 1,625,452	
CalHOME - City - 2010	Housing Development and Preservation	Rehab loans		$ 1,065,662	Not completed
			Subtotal	$ 1,065,662	
CalHOME - County - 2008	Housing Development and Preservation	Housing Development Assistance		$ 1,000,000	Not completed
			Subtotal	$ 1,000,000	
CalHOME Revolving Loan Fund - City	Housing Development and Preservation	First-time Homebuyer Assistance Program		$ 99,817	Not completed
			Subtotal	$ 99,817	
CalHOME Revolving Loan Fund - County	Housing Development and Preservation	First-time Homebuyer Assistance Program		$ 31,956	Not completed
			Subtotal	$ 31,956	
Housing Trust Fund - City	Housing Development and Preservation	Housing Development Assistance		$ 547,124	Not completed
			Subtotal	$ 547,124	
Housing Trust Fund - County	Housing Development and Preservation	Housing Development Assistance		$ 1,138,817	Not completed
			Subtotal	$ 1,138,817	
MHSA	Housing Development and Preservation	Housing Development Assistance		$ 373,727	Not completed
			Subtotal	$ 373,727	
City Inclusionary Housing	Housing Development and Preservation	Housing Development Assistance		$ 51,497	Not completed
			Subtotal	$ 51,497	

PROJECTS BY FUNDING SOURCE

Funding Source	Project Type	Description		Appropriation	Environmental
Affordable Hsg Pgm Entitlement	Housing Development and Preservation	Housing Development Assistance		$ 302,660	Not completed
			Subtotal	$ 302,660	
Affordable Hsg Pgm In-lieu	Housing Development and Preservation	Housing Development Assistance		$ 26,733	Not completed
			Subtotal	$ 26,733	
Riverview Plaza - Commercial	Housing Authority Capital Projects	Tenant Improvements		$ 259,805	Not completed
			Subtotal	$ 259,805	
Mortgage Revenue Bonds	Housing Development and Preservation	Choice Neighborhood Initiative (Twin Rivers)		$ 250,000	Completed[1]
			Subtotal	$ 250,000	
Conventional Housing - Capital Fund Program - City - 2013	Housing Authority Capital Projects	Modernization		$ 1,347,739	Not completed
			Subtotal	$ 1,347,739	
Conventional Housing - Capital Fund Program - Co - 2013	Housing Authority Capital Projects	Modernization		$ 704,892	Not completed
			Subtotal	$ 704,892	
		TOTAL		$ 18,611,895	

Notes:

Not Completed:
These actions do not make any commitments to , or give approvals for, specific projects. Environmental review under CEQA and /or NEPA will be required as these actions are further defined and specific projects are identified. All environmental review shall be completed prior to any choice limiting action(s) or discretionary actions being carried out for these specific projects.

Completed:

1) It is statutorily exempt pursuant to California Environmental Quality Act (CEQA) Guideline 15262 involving planning and feasibility studies for possible future actions which have not been approved by the Housing Authority's governing board. These planning and feasibility activities are categorically excluded from review under the National Environmental Policy Act (NEPA) pursuant to 24 CFR 58.34 (a)(1).

DEFUNDING

Funding Source	Project Type	Description		Appropriation
Multi-Family Rental Rehab Program - County	Affordable Housing	Rehab Loan Multi-Family		$ 22,075
			Subtotal	$ 22,075
HOME - County - 2009	Affordable Housing	Sienna Vista Apartments		$ 728,342
			Subtotal	$ 728,342
		TOTAL		$ 750,417

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SECTION J

GLOSSARY

GLOSSARY

ADMINISTRATIVE CONTINGENCY - Funds set aside for the current fiscal year to be used for unanticipated expenditures and new programs. The Community Development Block Grant (CDBG) program is the only program permitted to have an administrative contingency.

ADMINISTRATIVE ORGANIZATIONS - Agency Clerk, Executive Director's Office, Finance, General Services, Governing Boards, Human Resources, Information Management and Technology Services, Legal, and Risk Management.

AFSCME - American Federation of State, County and Municipal Employees. The union representing clerical, maintenance, and food service employees at the Agency in labor issues.

AGENCY - The Sacramento Housing and Redevelopment Agency.

AGENCY OVERHEAD - Costs of the administrative organizations that are distributed to the operating organizations.

APPROPRIATION - An authorization by the Governing Bodies to make expenditures and to incur obligations for specific purposes. NOTE: An appropriation usually is time limited and must be expended before that deadline. Under normal conditions, an operating appropriation would have a one year life and a capital appropriation would be for the life of the project.

ASSETS - Resources owned or held by the Agency which have monetary value. Certain kinds of assets are monetary, such as cash and receivables (money owed to the Agency), and others are non-monetary physical things, such as inventories, land, buildings, and equipment.

AVAILABLE FUND BALANCE - The amount of fund balance available to finance the budget after deducting encumbrances and reserves.

BASE VALUE - The total assessed value of property within a project area in the year in which the redevelopment project is approved.

BASE YEAR - The year in which the redevelopment plan is adopted.

BEGINNING FUND BALANCE - Resources available in a fund from the prior year after payment of the prior year's expenses. Not necessarily cash on hand.

BLIGHTED AREAS - Areas and/or structures of a community which constitute either physical, social, or economic liabilities requiring redevelopment in the interest of the health, safety, and general welfare of the people of the community.

BUDGET - A detailed purpose specific annual financial plan consisting of proposed expenditures and the proposed means to finance those expenditures.

BUDGET AMENDMENT - An augmentation of the approved budget as a result of an increase in appropriations and revenues.

BUDGET DOCUMENT - Written instrument used by the budget-making authority to present the budget.

BUDGET TRANSFER - An increase in budgeted expenditures for a specific activity with a corresponding equal decrease in budgeted expenditures for another specific activity. There is no net change in appropriations.

CAPITAL IMPROVEMENT - A permanent addition to an asset, including the purchase of land, and the design, construction, or purchase of buildings or facilities, or major renovations of same.

CAPITAL IMPROVEMENT PROGRAM - An on-going plan of single and multiple year capital expenditure which is updated annually.

CARRYOVER - Appropriated funds which remain unspent at the end of a fiscal year, which are allowed to be retained by the department to which they were appropriated so that they may be expended in the next fiscal year for the purpose designated.

CBO - See Community Based Organizations.

CDBG – Community Development Block Grant

COMMISSION - The Sacramento Housing and Redevelopment Commission. An eleven member citizen advisory group to the Governing Boards.

COMMUNITY BASED ORGANIZATIONS - Neighborhood, community, and religious groups (generally non-profit) that provide community/social service programs to low-income and homeless individuals.

COMMUNITY DEVELOPMENT BLOCK GRANT - a Federal entitlement program administered by the U.S. Housing and Urban Development Department. Funds may be used for public improvements, affordable housing, and to a limited extent for public services that benefit low and moderate income households and neighborhoods.

CONTINGENCIES - A budgetary provision representing that portion of the financing requirement set aside to meet unforeseen expenditure requirements.

COST - The estimated expenditure for a particular resource.

CSBG (Community Services Block Grant) – The CSBG program provides States and Indian Tribes with funds to lessen poverty in communities. The funds provide a range of services and activities to assist the needs of low-income individuals including the homeless, migrants and the elderly.

CURRENT REQUIREMENTS - Expenditures for operations and capital improvements. Expenditures for operations include Employee Services, Services and Supplies, Capital Expenditures, Other Charges, and Expenditure Transfers and Reimbursements.

CURRENT RESOURCES - Resources which can be used to meet current obligations and expenditures including revenues and transfer from other funds.

DEBT SERVICE - Payment of interest and principal on an obligation resulting from the issuance of bonds, notes, and leases and the fiscal agent fees associated with those payments.

DEFICIT - An excess of expenditures over resources.

DEPARTMENT - The basic unit of service responsibility, encompassing a broad mandate of related activities.

DEPRECIATION - The portion of the original cost of a tangible fixed asset allocated to a particular fiscal or accounting period.

DIVISION - A sub-unit of a department which encompasses a substantial portion of the duties assigned to a department. For example, Maintenance is a division of the Housing Department.

EDUCATION REIMBURSEMENT AUGMENTATION FUND – A State-mandated payment from all redevelopment areas to the State of California due to the budget crisis.

ERAF – see EDUCATION REIMBURSEMENT AUGMENTATION FUND above.

EMPLOYEE SERVICES - The personnel costs of an Agency program, including wage/salary and the cost of direct and indirect benefits such as health insurance, social security costs, retirement contributions, workers' compensation, unemployment insurance, etc.

ENCUMBRANCE - An obligation in the form of a purchase order, contract, or other commitment which is chargeable to an appropriation and for which a part of the appropriation is reserved. In some cases, encumbrances are carried over into succeeding fiscal years.

ENDING FUND BALANCE - Resources available in a fund at the end of the current year after payment of the current year's expenses. Not necessarily cash on hand.

ENTERPRISE FUND – Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

EQUIPMENT - Tangible property of a more or less permanent nature, other than land or buildings and improvements thereon. Examples are vehicles, office or shop equipment, and appliances with a unit cost of over $5,000. NOTE: A lesser value may apply for some appliances purchased for Housing Authority uses.

EXPENDITURE - The actual spending of funds authorized by an appropriation.

FEE FOR SERVICE - HUD has mandated that public housing authorities implement an administrative fee for centralized services to internal customers. The fees imposed are to reflect the true cost for recovering the service costs but should not exceed that which can be obtained from the private sector.

FINANCIAL TRANSACTIONS - Costs of operations that are beyond the control of an operating organization. Examples include (1) fees charged by the City Treasurer for his services in investing Agency funds, (2) fees that the County of Sacramento charges the Agency for collection and processing of tax increment revenues, (3) pass-through agreements and loan processing fees, and (4) Education Revenue Augmentation Fund (ERAF) charges.

FISCAL YEAR - A twelve-month period for which a budget is prepared. For the Agency, the fiscal year is January 1 to December 31.

FIXED ASSET - An asset of long-term character such as land, buildings and improvements, property and equipment, and construction in progress.

FTE - See Full Time Equivalent

FULL TIME EQUIVALENT - The decimal equivalent of a part-time position converted to a full time basis, e.g., one person working half-time would count as 0.5 FTE.

FUND - A separate, independent fiscal and accounting entity with its own assets, liabilities, and fund balance.

FUND BALANCE - The total dollars remaining after current expenditures for operations and capital improvements are subtracted from the sum of the beginning fund balance and current resources.

GOVERNING BOARDS - The Sacramento Housing and Redevelopment Commission, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Sacramento City Council, and the Sacramento County Board of Supervisors.

GOVERNMENTAL FUNDS – Funds used to account for tax-supported activities.

GRANT - A contribution from one governmental unit to another, usually made for a specific purpose and time period.

HAP - See Housing Assistance Payment.

HSA – Housing Successor Agency as determined by assembly bill 26X1

HOUSING ASSISTANCE PAYMENT - Rental housing subsidies paid to landlords under various Agency programs.

HPRP - Homelessness Prevention and Rapid Re-Housing Program.

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM – Begun in 2009 by HUD, funding may be used to help families maintain current housing or to find new housing. Some of the types of assistance provided include: assistance to find and apply for housing; paying deposits; payment of past due utilities or rent; limited assistance with future rents; and connection to employment and other community services.

HUD 5h PROGRAM - Section 5(h) helps low-income families purchase homes through an arrangement that benefits both the buyer and the public housing agency (PHA) that sells the unit. It gives the buyer access to an affordable homeownership opportunity and to the many tangible and intangible advantages it brings.

HUD SECTION 32 PROGRAM - offers public housing agencies (PHAs) a flexible way to sell public housing units to low-income families, with preference given to current residents of the unit(s) being sold.

HUD OPERATING SUBSIDY – Provided annually by HUD, this should be the difference between the income generated by housing and the cost to operate the housing. However, depending on Congressional appropriations each year the annual entitlement to public housing authorities is often less than the need.

INDIRECT COSTS - Those elements of cost necessary in the performance of a service which cannot be exactly or easily allocated to the unit of service. Usually, they relate to those expenditures which are not an integral part of the service such as utilities, supplies, management, supervision, etc.

INTERDEPARTMENTAL CHARGES – Charges for services one department provides another department. Net appropriations reflect the elimination of interdepartmental charges as they double count the same dollar which is budgeted in two places.

INTERNAL SERVICE FUNDS – Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

JOINT POWERS AUTHORITY is an entity permitted under the laws of some states of the USA, whereby two or more public authorities (e.g. local governments or utility or transport districts) can operate collectively.

LIABILITIES - Debts or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date.

LOANS & GRANTS - Rehabilitation loans and grants to eligible property owners and commercial and industrial loans and grants for our Economic Development program.

MODIFIED ACCRUAL BASIS – An adaptation of the accrual basis of accounting for governmental fund types. Revenues are not recognized until they are measurable and available, and expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred.

NON-DEPARTMENTAL - Program costs that do not relate to any one department, but represent cost of a general, Agency-wide nature, e.g., insurance, some debt service, etc.

NSP – Neighborhood Stabilization Program

NEIGHBORHOOD STABILIZATION PROGRAM - HUD's Neighborhood Stabilization Program provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

OBJECT CODE - A classification of expenditure or revenue. Examples of expenditures are Rental of Real Property (object code 5040) and Out-Of-Town Travel (object code 5305). Revenue examples would be Rental Income (object code 3500) and Interest Income - Investments (object code 3600).

OBLIGATION - An amount which a governmental unit may be required legally to meet out of its resources. They include not only actual liabilities but also encumbrances.

OPERATING BUDGET - That portion of the budget which consists of annual appropriations of funds for on-going program costs, including employee services, services and supplies, capital expenditures, debt service, and other charges.

OPERATING ORGANIZATIONS - The Community Development Department, Development Finance, Policy and Planning, and the Housing Authority Department.

ORGANIZATION - The lowest entity in the budget hierarchy including all accounts for which a legal appropriation is approved by the Governing Bodies. Another term for division.

OVERHEAD - See Indirect Costs.

PAC - See Project Area Committee.

PRIME - A major category of appropriation. Examples are Employee Services and Services and Supplies.

PROJECT - An individual unit of cost accumulation within the accounting system. Examples would be a specific capital improvement project or a type of work within an organization, e.g., payroll duties within the Finance Division.

PROJECT AREA - The area which is designated in the redevelopment plan for redevelopment and revitalization.

PROJECT AREA COMMITTEE - Elected citizens committee composed of project area residents, businesspersons, and representatives of organizations to consult with and advise the Agency.

PROPRIETARY FUNDS – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

PUBLIC HOUSING – Housing owned and managed by municipal agencies which is under contract with the United States Department of Housing and Urban Development (HUD). The contract imposes rent limitations, tenant income limitations, and maintenance requirements in return for subsidy funding from HUD.

REDEVELOPMENT PLAN - Plan for revitalizing and redevelopment of land within the project area in order to eliminate blight and remedy the conditions which caused it.

RESERVE - An amount in a fund set aside to be used to meet cash requirements, emergency expenditures, or future defined requirements. A reserve is not an appropriation, and there is no limitation on the amount of reserves that can be established.

RESOURCES - Total amounts available for appropriation during the fiscal year, including revenues, fund transfers, and available fund balances.

REVENUE - Money received to finance ongoing Agency services.

SHRA-EA - Sacramento Housing and Redevelopment Agency Employees Association. The employee association representing administrative and technical Agency employees in labor issues.

SERAF – See Supplemental Education Revenue Augmentation Fund below.

SERVICES and Supplies - Contractual services, expendable commodities, financial charges, office supplies, and equipment items costing under $5,000.

STAKEHOLDER – a party which has an active interest either as a provider or a recipient. Literally – person entrusted with the stakes of bettors.

SUPPLEMENTAL EDUCATION REVENUE AUGMENTATION FUND (SERAF) – A State-mandated payment from all redevelopment areas to the State of California due to the budget crisis. The California Redevelopment Association has filed suit to halt the transfer of funds by challenging its constitutionality.

TANF-ECF –The Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) provides federal stimulus funds through September 2010 to help low income families by supporting increases in basic assistance, short-term benefits, and subsidized employment.

TARGET AREA - The area which is designated in the Community Development Block Grant plans for redevelopment and revitalization.

TAX ALLOCATION BOND - A bond or financial obligation issued by the Agency in order to generate revenues to implement the redevelopment plan. The bond is repaid with tax increments flowing to the Agency as a result of actions of the Agency to revitalize the project area.

TAX INCREMENT - The increase in property taxes within the redevelopment project area that result from increases in the project area assessed value that exceeds the base year assessed value.

TEMPORARY EMPLOYEE - An Agency position where the employee works less than 1,000 hours during a fiscal year. Expenditures for these positions are included in Employee Services in the Budget. NOTE: These positions are <u>not</u> counted as Agency employees.

TEMPORARY SERVICES EMPLOYEE - An employee of a temporary service company that is contracted for by the Agency to perform a specific job for a short time period. Expenditures for these positions are included in Services and Supplies in the Budget. A temporary services employee is not an Agency employee.

VOLUNTARY ALTERNATIVE REDEVELOPMENT PROGRAM - provides for the continuation of redevelopment if an agency agrees to pay the State under a “Voluntary Alternative Redevelopment Program” (VARP).

VARP – See Voluntary Alternative Redevelopment Program above.

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SECTION K

APPENDIX

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY GOALS AND STRATEGIES

THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY IS COMMITTED TO PARTNER WITH THE COMMUNITY AND THE CITY AND THE COUNTY OF SACRAMENTO TO ACCOMPLISH THE FOLLOWING GOALS:

GOAL 1

DEVELOP, PRESERVE, AND FINANCE A CONTINUUM OF AFFORDABLE HOUSING OPPORTUNITIES FOR SACRAMENTO CITY/COUNTY RESIDENTS

- Target resources to increase the supply of housing for large families.
- Acquire, rehabilitate, and/or otherwise improve deteriorating properties.
- Increase homeownership opportunities through homebuyer assistance programs.
- Participate in the development of housing strategies and policies.
- Partner with public and non-profit organizations to expand supportive housing.

GOAL 2

PROVIDE AND MAINTAIN AGENCY OWNED HOUSING AND TENANT BASED RENTAL ASSISTANCE PROGRAMS IN THE CITY AND COUNTY OF SACRAMENTO

- Achieve maximum lease-up in Housing Choice Voucher programs (formerly Section 8).
- Achieve maximum lease-up in public housing programs.
- Maximize the efficient use of our public housing stock by improving the delivery of quality, decent and safe public housing units.
- Increase Agency ownership and management of mixed-income housing.
- Improve and expand economic and social opportunities for housing authority residents.

- Participate in supportive housing programs by partnering with public and non-profit organizations.

GOAL 3

REVITALIZE LOWER INCOME NEIGHBORHOODS TO CREATE HEALTHY AND SUSTAINABLE COMMUNITIES

- Identify neighborhoods that need help and work with residents to tailor solutions that meet the needs of each community.
- Lead neighborhood efforts to realize an array of quality housing choices.
- Support programs that deliver neighborhood services, strengthen families, provide future opportunities for youth, and enhance local employment opportunities.
- Plan, rehabilitate, and construct capital improvement projects.
- Facilitate citizen participation practices and promote leadership and a shared vision for the community.

GOAL 4

ELIMINATE BLIGHT AND PROMOTE ECONOMIC DEVELOPMENT ON COMMERCIAL CORRIDORS AND CONVERTED MILITARY BASES

- Facilitate investment in infrastructure and capital improvements.
- Develop and market financial incentives to maximize private investment.
- Actively address obsolete land uses, ownership issues, and other impediments to redevelopment.
- Establish and strengthen partnerships to support a vibrant and sustainable business environment.
- Target and market key sites and opportunities for business reinvestment.
- Link Agency assistance to jobs and business opportunities for low-income and local residents.

GOAL 5

IMPLEMENT EFFECTIVE AND EFFICIENT MANAGEMENT PRACTICES TO ENHANCE CUSTOMER SERVICE AND PROJECT DELIVERY.

- Improve and increase the external flow of information to enhance public relations and marketing.
- Develop and utilize technology tools to maximize efficiency.
- Improve and develop staff resources within the Agency.
- Simplify and expedite document preparation, review and file management.
- Improve and increase internal information flow.
- Improve asset management
- Evaluate and review administrative processes for improved efficiency.

Strategic Activities

Below are activities identified during the process that should be included within the specific strategies of the goals listed. Agency Directors and Managers should include these activities as they set priorities for the coming year.

GOAL 1

DEVELOP, PRESERVE, AND FINANCE A CONTINUUM OF AFFORDABLE HOUSING OPPORTUNITIES TO CITY/COUNTY RESIDENTS

- Explore use of manufactured housing.
- Housing Choice Vouchers (formerly Section 8) for homebuyer programs.
- Housing Choice Voucher set-asides for supportive housing.
- Housing elements of general plans.

GOAL 2

PROVIDE AND MAINTAIN AGENCY OWNED HOUSING AND TENANT BASED RENTAL ASSISTANCE PROGRAMS IN THE CITY AND COUNTY OF SACRAMENTO

- Housing Choice Vouchers for project-based assistance.
- Housing Choice Voucher set-asides to a specific group of clients.
- Develop resident empowerment strategies.
- Tenant- and project-based Housing Choice Vouchers for supportive housing.

GOAL 3

- Capital improvement projects prioritized first for health and safety.

INVESTING IN COMMUNITIES