



**Sacramento
Housing &
Redevelopment
Agency**

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

Public Hearing
August 7, 2008

Honorable Mayor and Members of the City Council

**Title: City of Sacramento Community Development Block Grant (CDBG) Program
 Mid-Year 2008 Action Plan Update**

Location/Council District: All

Recommendation: Adopt a **City Resolution** amending the 2008 and prior years' Sacramento Housing and Redevelopment Agency (SHRA) budgets to 1) defund previously approved CDBG appropriations; and 2) appropriate funds to new and existing activities that will be completed within the next 18 months.

Contact: Gregory H. Wessel, Assistant Director, 440-1346, Geoffrey Ross, Program Manager, 440-1357

Presenters: Geoffrey Ross, Program Manager – Housing and Community Development

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: This report requests approval of: 1) the Mid-Year 2008 One-Year Action Plan Update, 2) proposed amendments to prior year Action Plans; and 3) submission of the revised documents to the U.S. Department of Housing and Urban Development (HUD). The 2008 One-Year Action Plan describes community development activities funded by the jurisdiction, and any amendments are required to be submitted to HUD each year. Please refer to Exhibit A and B to the City Resolution for the list of activities to be reprogrammed from previously approved appropriations and allocated to new and existing activities which must be completed in the next 18 months as required by HUD.

CDBG Mid Year Action Plan Update

Policy Considerations: The actions recommended in this report are consistent with previously approved policies and federal requirements.

Environmental Considerations:

California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA): The following proposed actions are exempt from environmental review based on the specified CEQA and NEPA exemptions:

Improvement of Existing Public Facilities – NEPA per 24 CFR 58.35 (a)(1) and CEQA per Guidelines Section 15301 (a)(c): **2008 Steve Jones Park, Improvements, 2008 Zapata Park, 2008 Bill Bean Park**

Replacement of Fencing along Public Right of Way – NEPA per 24 CFR 58.35(a)(1) and CEQA per Guidelines Section 15302: **2006 Meadowview Road Fence Replacement**

Financial Assistance for Acquisition and/or Rehabilitation of Existing Structures - NEPA per 24 CFR 58.35 (a)(3), (a)(5) and (b)(5) and CEQA per Guidelines Section 15310: **2008 First-Time Homebuyer Assistance Program**

Planning and Feasibility Studies - NEPA per 24 CFR Section 58.34 (a)(1) and CEQA per Guidelines Section 15262: **2008 Camellia Park Master Plan**

Sustainability Considerations: The Projects included in this report have been reviewed for consistency with the goals, policies and targets of the Sustainability Master Plan and the 2030 General Plan. If approved, the contents of this report will advance the following goals, policies and targets as follows: the project supports Goal number five – Public health and Nutrition, item 3 – Create Healthy Urban Environments through Restorative Redevelopment.

Other: n/a

Committee/Commission Action: At its meeting on July 16, 2008, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Burruss, Chan, Coriano, Dean, Fowler, Gore, Morgan, Otto, Stivers

NOES: None

ABSENT: Mohr, Shah

CDBG Mid Year Action Plan Update

Rationale for Recommendation: As a condition of the receipt of various federal grants provided through HUD, the regulations require the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using goals and priorities described in the Consolidated Plan. Any amendments to the One-Year Action plan must also be submitted to HUD. The proposed de-funding and appropriation of funds to new and existing activities are consistent with the goals and objectives of the City of Sacramento's 2008-2012 Consolidated Plan, which was approved by the Council on October 23, 2007.

Financial Considerations: This report recommends the amendment of the 2008 and prior years' Agency budgets to reprogram \$962,190 of previously approved CDBG funds from cancelled and/or completed projects and capital reserve. It also recommends amending various years' One-Year Action Plans to reflect defundings and augmentations totaling \$1,194,779 to new and existing activities which can be completed within 18 months as required by HUD.

The \$381,729 capital reserve budgeted in the Mid-Year 2008 Action Plan Update is approximately 7 percent of the 2008 CDBG entitlement of \$5,718,848. With the changes authorized by this report the capital reserve account remains at an appropriate level. The reserve may be used for overruns in capital improvement projects.

M/WBE Considerations: Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding.

Respectfully Submitted by: 
LA SHELLE DOZIER
Interim Executive Director

Recommendation Approved:


RAY KERRIDGE
City Manager

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RESOLUTION NO. 2008 - _____

Adopted by the Sacramento City Council

on date of

AMENDMENT TO THE CITY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG) AND VARIOUS YEARS' ACTION PLANS

BACKGROUND

- A. On October 23, 2007, the Sacramento City Council approved the 2008-2012 Consolidated Plan. The Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy for meeting those needs. In addition, it specifically addresses federally funded housing and community development programs: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), American Dream Downpayment Initiative (ADDI), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Shelter Grant (ESG) Programs.
- B. The Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities of the Consolidated Plan
- C. A noticed public hearing soliciting comments on the 2008 One-Year Action Plan Mid-Year Update was held by the Sacramento City Council on July 15, 2008.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, are approved.
- Section 2. Sacramento Housing and Redevelopment Agency (SHRA), by action of its Interim Executive Director, is authorized to amend various years' Action Plans as herein provided in Exhibit A, which is attached to this resolution.
- Section 3. The 2008 One-Year Action Plan is amended to add the projects set out in Exhibit B, which is attached to this resolution.
- Section 4. The Interim Executive Director, or her designee, is authorized to amend the SHRA Budget to allocate the CDBG funding for programs and projects in accordance with the amendment of the prior years' Action Plan.
- Section 5. The Interim Executive Director, or her designee, is authorized to submit the amendment of prior years' Action Plan and the 2008 One-Year Action Plan to HUD.

Section 6. The City Manager is authorized to execute all necessary agreements and contracts to carry out the recommended activities described in this resolution, each in a form approved by SHRA Counsel.

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Exhibit A – Defunded Activities from Various Years' Action Plans

Exhibit B - Amendments to the 2008 One-Year Action Plan Activities

**City of Sacramento
Defunded Activities for Various Years' Action Plan**

Activities being defunded are those that have been completed, cancelled or funded through alternative sources. Newly funded activities are scheduled to be implemented and completed by December 31, 2009 to comply with federal regulations governing the timely expenditure of funds.

Recommendation	Amount	Fund
2008 River Cats Independence Field: ADA and other improvements to specially designed ball field which allows disabled individuals access and use of the ball field. This activity was completed using other funding and staff recommends funds be reallocated to Capital Reserve.	\$117,000	CDBG
2007 Section 108 Loan Repayment – Del Paso Nuevo CDBG entitlement for Section 108 loan payment. Activity was paid out of program income and staff recommends funds be reallocated to Capital Reserve.	\$417,411	CDBG
2004 Single-Family Rehabilitation Program - Provides rehabilitation loans to owner-occupied low- and moderate-income homeowners in targeted CDBG eligible areas. Revolving loan fund must be spent first and entitlement has not been needed. Staff recommends funds to be reallocated to Capital Reserve.	\$28,130	CDBG
2007 Mercy Housing Supportive Housing Program: Provides technical assistance to social service organizations developing supportive housing for special needs groups. No funds were expended and staff recommends funds be reallocated to Capital Reserve.	\$25,000	CDBG
2007 Tahoe Park Streetlights: Provides matching funds for streetlight improvements in the Tahoe Park neighborhood bounded by 53 rd Street, 14 th Avenue, 57 th Street, and Sierra Avenue. Assessment district never passed by the community, funds that were to be matched never materialized, and staff recommends funds be reallocated to Capital Reserve	\$342,649	CDBG
2008 Neely Park: Improvements to the community garden and park including relocation of fencing, walkways, new garden plots, and upgraded amenities. An alternative park has been identified for improvements and staff recommends funds be reallocated to Capital Reserve.	\$32,000	CDBG
Total	\$962,190	

**City of Sacramento
Amendment to 2008 Action Plan Activities**

This report formally amends the 2008 Action Plan by augmenting existing and new projects with CDBG. These activities have been identified as those that need immediate funding. Also, these adjustments will facilitate timely expenditures as required by HUD.

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS		
Recommendation	Amount	Fund
Steve Jones Park Improvements: Improvements to the park including but not limited to landscaping of the detention basin with turf, installation of one full-size soccer field or two bantam soccer fields, installation of fencing off 24 th Street and Casa Linda along the ridge of the detention basin, concrete walkway along the north end of the park site and installation of the jogging path along perimeter walkway.	\$117,000	CDBG
Meadowview Fence Replacement: Installation of a decorative masonry fence along the public right-of-way on the south side of Meadowview Road from 24 th Street to Amherst Street. This allocation is an advancement of District 8 funding which constitutes the remainder of the district allocation for the Consolidated Plan period (2008-2012).	\$675,000	CDBG
Zapata Park: Improvements to the community garden and park including but limited to fencing, walkways, new garden plots, water bibs, tool storage unit, and bench.	\$32,000	CDBG
Bill Bean Park: Improvements including, but not limited to installation of perimeter fencing along 17th Avenue, parking lot gate improvements, painting of parking lot curbs, shade canopy over playground, park furniture, play area equipment enhancements, landscaping, exercise stations, and play field equipment.	\$282,649	CDBG
Camellia Park Master Plan: Development of a Master Plan for Camellia Park.	\$60,000	CDBG
HOUSING		
First-Time Homebuyer Program: Provides up to \$40,000 in down payment, closing costs, homeownership education and counseling to income eligible first-time homebuyers.	\$28,130	CDBG
Total	\$1,194,779	