



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO COUNCIL, REDEVELOPMENT
AGENCY AND HOUSING AUTHORITY**

City of Sacramento

915 I Street, Sacramento, CA 95814-2671

www.CityofSacramento.org

Public Hearing

November 18, 2008

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

Title: 2009 Sacramento Housing and Redevelopment Agency Budget

Location/Council District: Citywide

Recommendation: Conduct a public hearing and upon conclusion, 1) adopt **City Resolution** a) approving the 2009 Proposed Budget for SHRA; and b) authorizing the agency to: 1) submit the Comprehensive Plan to United States Department of Housing and Urban Development (HUD); 2) submit to HUD the Consolidated Plan and One-Year Action Plan for 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); 3) submit grant applications for any and all 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; 2) adopt a **Redevelopment Agency Resolution** a) approving the 2009 Proposed Agency budget for the Redevelopment Agency of the City of Sacramento; and b) authorizing the Executive Director to: (i) submit grant applications for any and all activities within the jurisdiction of the Agency; and (ii) 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 3) adopt a **Housing Authority Resolution** a) approving the 2009 Proposed Agency budget for the Housing Authority of the City of Sacramento; and b) 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 any and all activities within the jurisdiction of the Authority; and (vi) 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.

Contact: LaShelle Dozier, Interim Executive Director, 440-1333; Don Cavier, Finance Director, 440-1399, ext. 1220

2009 Sacramento Housing and Redevelopment Agency Budget

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

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 Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, 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. The Proposed 2009 Budget provides a plan by which the Agency, without the benefit of a general fund, operates in an efficient manner and in compliance with the regulatory requirements of our funding sources and the Government Accounting Standards Board. Agency revenue sources require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year. 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 \$294 million representing the operational activities and projects for 2009. The 2009 proposed budget represents a six percent increase in appropriations compared with 2008. This increase is the direct result of a one time award of \$31.8 million of special CDBG funding for neighborhood stabilization authorized under the Housing and Economic Recovery Act of 2008. Without this one time funding, the Agency budget would have reflected a decrease of five percent compared with 2008.

The proposed budget includes \$93.8 million for housing assistance payments, \$27.5 million for salary and benefits, \$16.9 million for services and supplies, \$41.2 million in debt service payments and \$19.2 million in financial transactions (pass through payments, community/social service programs, etc.). Funding available for capital projects is \$95.4 million.

Policy Considerations: The actions recommended in this report are consistent with adopted Redevelopment Plan goals, Consolidated Plan goals, the annual Housing Operating Budget, the Capital Fund Plan, and Agency policies. No policy changes are recommended.

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).

Sustainability Considerations: N/A

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Other: The proposed action to adopt the Budget does not constitute a project subject to environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 8.34(a)(3).

Committee/Commission Action: At its meeting on November 5, 2008, the Sacramento Housing and Redevelopment Commission considered this item. The votes were as follows:

AYES: Burruss, Chan, Dean, Mohr, Morgan, Otto, Stivers

NOES: None

ABSENT: Coriano, Fowler, Gore, Shah

Rationale for Recommendation: The proposed budget provides a fiscal strategy for operations and capital projects during 2009. The budget is in balance and complies with applicable federal, state and local regulations on the use of the funds.

Financial Considerations: The total budget (operating plus capital) has increased six percent from \$276.7 million to \$294 million for 2009. The operating budget of \$198.6 million includes \$93.8 million for housing assistance payments, \$27.5 million for salary and benefits, \$16.9 million for services and supplies; \$41.2 million in debt service payments and \$19.2 million in financial transactions (pass through payments, community /social services, etc.). Funding available for capital projects is \$95.4 million.

Total Agency positions decreased slightly to 291 positions, a net decrease of .80 positions. The Housing Authority proposes reducing a net of .25 positions; administrative departments are decreasing by .55 positions, while Housing and Community Development and Affiliated Organizations remain unchanged. To continue our efforts of promoting fiscal responsibility and efficiency across organization, all existing and future vacancies will be critically evaluated prior to any recruitment efforts.

Employee services and supplies are up four percent due to projected increases in general operating costs and one time expenditures for information system upgrades.

Housing Assistance Payments (HAP) for the Housing Choice Voucher (HCV) program are expected to be consistent with 2008 utilization trends which reflect 100 percent program lease up.

Debt service payments have increased by five percent due to the issuance of tax allocation bonds for the Mather/McClellan merged project area and the costs of credit agreements for the Downtown, North Sacramento and Stockton Boulevard project areas.

Financial transactions costs, composed primarily of statutory pass through payments, State Education Revenue Augmentation Fund (ERAF) payments and the costs for community/social services funded by the Agency have increased by forty-four percent due primarily to the \$4,059,254 of State mandated ERAF payments, and \$1,510,306 in

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additional statutory pass through payments associated with the growth in tax increment revenues.

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

Respectfully Submitted by:


LASHELLE DOZIER
Interim Executive Director

Recommendation Approved:

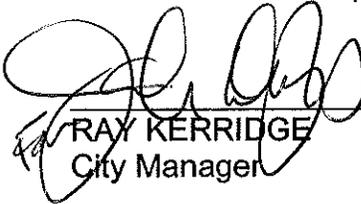

RAY KERRIDGE
City Manager

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2009 Sacramento Housing and Redevelopment Agency Budget

Attachment I**Background:**

The Agency is funded primarily from four sources: the HUD Housing Choice Voucher (HCV) Program, HUD Public Housing/Capital Fund Programs, HUD Community Development Programs (CDBG and HOME), and local redevelopment revenues (Tax Increment). The three federal sources provide approximately two-thirds of our total annual revenues. The following is an overview of the status of each major funding source that makes up the majority of the Agency's proposed 2009 budget:

Housing Choice Voucher Program

In 2008, the Housing Choice Voucher (HCV) program achieved 100% lease up of all 11,217 vouchers allocated to the Agency and is expected to maintain this lease up level through 2009. Based upon current expenditure trends, Housing Assistance payments are projected to be \$93.6 million in 2009. In early 2008, HUD changed the funding formula for program administration fees. The new formula has benefited the HCV program by increasing the expected administration fees for 2008 by \$700,000. The Agency expects that administration fees for 2009 will be funded at a similar level to 2008 based upon congressional appropriation recommendations and the Agency's current 100% leasing level which drives administration fee eligibility.

Public Housing Program

The Public Housing program continues to struggle with an operating deficit, however, the Agency has made progress in reducing the impact of the deficit, and the 2009 proposed budget continues these efforts.

- In July 2008, HUD granted the City Housing Authority "Year 1 Stop Loss" designation for successful implementation of the new HUD asset management model. The stop loss designation temporarily stops the amount of operating subsidy loss from the old HUD funding formula to the new HUD funding formula. The receipt of this designation will postpone a scheduled reduction in operating subsidy, saving the program approximately \$929,000 through 2011.
- In September 2008, HUD increased the level of funding from 82% of the programs required funding level to 88.96%, a change that added approximately \$600,000 in additional operating subsidy to the program. While this is an obvious improvement over the previous funding level, it still represents a \$1 million funding short fall for the program based upon what HUD's own funding formula indicates the Housing Authority should receive to operate the program. Based upon the current congressional recommendations, the funding for the Public Housing program is expected to be at a similar level for 2009.

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- The 2009 proposed Public Housing budget is \$16.9 million, with rents and HUD operating subsidy covering \$15.3 million of the operating costs. As in prior budgets, the Agency proposes to back fill the projected \$1.6 million operating deficit from Public Housing Capital Fund grants. While this represents a reduction in the structural deficit compared with the original 2008 projection of \$1.9 million, the Housing Authority is initiating several additional strategies that are targeted to alleviate the impact of the remaining structural deficit and potentially reduce it over the near term. Specifically, Housing Authority management has assigned the remaining centralized maintenance staff to project sites, thereby improving onsite staff capacity and response time. Secondly, the costs of paint services and janitorial services will be shifted from outside vendors to our resident trainee programs. This initiative will allow the Agency to utilize a portion of the Public Housing Capital Fund grants to promote training opportunities for residents of public housing, while at the same time, addressing the ongoing operational needs of our properties.
- Finally, public housing personnel are continuing efforts to reduce vacancies, maximize rent collection and find additional operational efficiencies through the repositioning of non-performing assets. The stop loss designation noted above expires in 2011, at which point the public housing program will need to be prepared to absorb the full formula loss of approximately \$400,000 per year.

Housing and Community Development Programs

Tax Increment – Net revenues for tax increment are expected to decline 2% in 2009 due to the State mandated shift of tax increment to the Education Revenue Augmentation Fund (ERAF). Without the State shift, the preliminary tax rolls provided by the County Assessor's office reflect a moderate 4% increase in tax increment to \$69 million for 2009. New development in the Merged Downtown and McClellan redevelopment project areas are the primary reason for projected increase in tax increment. Collectively, the two project areas have \$468 million in new assessed value from several large projects and sales transactions.

The Agency's remaining redevelopment areas are reflecting nominal growth or are slightly declining compared with prior year. The projected gains in tax increment will be offset by the impact of the State's 2008-09 budget which shifts \$350 million dollars of tax increment from local redevelopment agencies to the State in the form of Education Revenue Augmentation Fund (ERAF) payments. Unlike prior ERAF shifts, the State has provided no options for payback or plan extensions to help mitigate the impact over time. As a result of this action by the State, the Agency expects to pay approximately \$4 million in ERAF payments in 2009.

CDBG/HOME - Another item of note is the receipt of the new emergency CDBG funding for neighborhood stabilization under the Housing and Economic Recovery Act of 2008, which will infuse \$31.8 million into the local economy for the express purpose of addressing the local foreclosure issues and the struggling real estate market. Appropriation for the City and County of Sacramento under

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this act will be \$13.2 million and \$18.6 million respectively. Funding for the standard CDBG and HOME programs is expected to decline slightly, or remain relatively unchanged based upon the most recent congressional funding recommendations.

Other Activities

Finally, in June 2008, the Agency closed on the purchase of our new headquarters building at 801 12th Street. The Agency is in the process of contracting design and construction services for tenant improvements and we anticipate occupancy in the coming year. The proposed 2009 budget provides for the cost of a facilities move and holding costs during build out.

RESOLUTION NO. 2008- ____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

APPROVAL OF 2009 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 (SHRA) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento, Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento and Housing Authority of the County of Sacramento.
- B. SHRA receives annual funding from a combination of federal, state and local sources.
- C. The sources of SHRA revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year.
- D. SHRA's fiscal year is the calendar year from January 1st through December 31st.

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

Section 1. The proposed action to adopt the 2009 Proposed SHRA Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4), or undertaking under the National Environmental Policy Act (NEPA), as provided in 24 CFR Section 53.34(a)(3). The Budget includes the allocation of funds for activities (projects) that may have a physical change to the environment; however, none of those projects within the Budget are approved for implementation until each such project has been subject to individual environmental review prior to taking any action in furtherance of such activity.

Section 2. The 2009 Operating Budget totaling \$198,670,612 and the 2009 Project Budget totaling \$95,465,593, all as further described in the 2009 Proposed SHRA Budget (hereinafter "2009 SHRA Budget or "Budget"), a copy of

2009 Sacramento Housing and Redevelopment Agency Budget

which is on file with the SHRA Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of SHRA for the 2009 fiscal year. The 2009 SHRA Budget incorporates the budgets of the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Housing Authority of the City of Sacramento, 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 291 SHRA positions (reflecting a net decrease of .80 positions from the 2008 Budget), 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. SHRA is authorized to submit the 2009 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, SHRA is authorized to amend the Budget to reflect actual HUD approved expenditures and revenues for HUD funded programs and projects.
- Section 6. The proposed expenditures under the 2009 Housing Operating Budget are necessary in the efficient and economical operation of SHRA housing to serve low-income families.
- Section 7. The housing financial plan set forth in the 2009 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) All proposed rental charges and expenditures contemplated by the 2009 Housing Operating Budget shall be consistent with provisions of law and the Annual Contributions Contract.
 - (d) 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.

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(e) The fee for service provision is predicated on the revenues generated by fees being sufficient to cover the cost of services provided.

Section 8. SHRA is authorized to submit applications to HUD for Capital Fund Plan funding. If such grants are awarded, SHRA is authorized to accept the grant or grants, execute all related documents and amend the budget accordingly. SHRA is directed to comply with all policies, procedures, and requirements prescribed by HUD as a condition of such grants. SHRA is authorized to submit the Comprehensive Plan or annual statement to HUD, after receiving public comments and resident review.

Section 9. On an annual basis, HUD requires SHRA to conduct a physical inventory, analyze receivables for collectability and accordingly, reconcile and adjust related financial records. SHRA is authorized to amend the Budget and financial records as needed for such adjustments.

Section 10. SHRA is authorized to obtain flood insurance through the federal flood insurance program for SHRA properties and is authorized to purchase liability insurance and enter into agreements with risk retention pools or other similar organizations, 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.

Section 11. Subject to availability under the Budget of any required funds, SHRA 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 SHRA/Housing Authority policy and governing board approvals.

Section 12. SHRA is authorized and directed to approve, submit, and implement the Comprehensive SHRA Annual Plan, Comprehensive Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 13. SHRA is authorized to submit to HUD the One Year Action Plan for Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Shelter Grant (ESG) and Housing Opportunities for People With AIDS (HOPWA). If such grants are awarded, SHRA is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. SHRA is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. SHRA is authorized to amend by the amount of the difference the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

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Section 14. SHRA is authorized to delegate authority to the County Department of Human Assistance to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained within the terms of the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the Action Plan and funding source requirements.

Section 15. SHRA is authorized to submit grant applications for any and all activities within the jurisdiction of SHRA. If such grants are awarded, SHRA is authorized to accept the grant or grants (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. SHRA is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such Budget expenditure and amendments are permitted for positions, services and supplies, equipment and projects, and include but are not limited to the following:

HUD Brownfield Economic Development Initiative	\$1,000,000
HCD Exterior Accessibility Grants for Renters Program	\$ 500,000
HCD CalHome Grant for Homeowner Loans	\$ 1,500,000
HCD BEGIN Homeowner Loan	\$ 2,670,000

Section 16. SHRA is authorized to enter into necessary grants and contracts with HUD, the State Housing and Community Development Department (HCD), and other federal and state granting agencies for homeless programs transferred to the County, but for which SHRA was the designated recipient or contracting agency. SHRA is authorized to accept such grants, amend the Budget accordingly, and transfer program responsibility to the County by entering into contracts and agreements pursuant to governing board approvals and subject to County acceptance of such transfer.

Section 17. SHRA is authorized to amend the Budget to make transfers of fund balances to accommodate reserve requirements. SHRA 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, SHRA 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 18. The SHRA Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

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- Section 19. SHRA is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.
- Section 20. SHRA 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 21. SHRA is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.
- Section 22. SHRA 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 23. SHRA is authorized to transfer project appropriations among fund groups (such as among funds within a redevelopment project area).
- Section 24. SHRA 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 tax increment revenues.
- Section 25. SHRA is authorized to transfer funding of approved capital projects within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations.
- Section 26. SHRA is authorized to execute, and implement internal loans between SHRA 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 redevelopment purposes to assure receipt of anticipated redevelopment area tax increment revenues.
- Section 27. SHRA is authorized to exercise default remedies and take other actions to protect SHRA assets under contracts, loans, disposition and development agreements, owner participation agreements, and other SHRA agreements and to appropriate the associated revenues in the Budget. SHRA is authorized to enter into "loan work outs," to the extent reasonably necessary to protect SHRA assets, and in entering such "work outs," SHRA is authorized to rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property).

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Section 28. All project appropriations in existence as of December 31, 2008 will be carried over and continued in 2009.

Section 29. All multi-year operating grant budgets in existence as of December 31, 2008 shall be continued in 2009.

Section 30. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2008 may remain in effect in 2009. SHRA is authorized to increase the Budget for valid encumbrances as of December 31, 2008, but only to the extent that the applicable division's 2008 operating budget appropriations exceeded 2008 expenditures.

Section 31. SHRA is authorized to incorporate the changes listed on Exhibit A as part of the 2008 Budget.

Section 32. 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 SHRA Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 33. SHRA is authorized to delegate the authorities as set out in this resolution.

Section 34. This resolution shall take effect immediately.

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Exhibit A: - Summary of Changes to Agency 2009 Budget

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EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2009 BUDGET

Proposed 2009 Total Operating Budget	\$198,670,612
Revised Proposed 2009 Total Operating Budget	\$0
Proposed 2009 New Projects	\$95,465,593
Revised Proposed 2009 New Projects	\$0
TOTAL SHRA BUDGET	\$294,136,205

RESOLUTION NO. 2008- ____

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

APPROVAL OF 2009 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 (SHRA) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento, Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento, and Housing Authority of the County of Sacramento.
- B. SHRA receives annual funding from a combination of federal, state and local sources.
- C. The sources of SHRA revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year.
- D. SHRA's fiscal year is the calendar year from January 1st through December 31st.

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

Section 1. The proposed action to adopt the 2009 Proposed SHRA Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4), or undertaking under the National Environmental Policy Act (NEPA), as provided in 24 CFR Section 53.34(a)(3). The Budget includes the allocation of funds for activities (projects) that may have a physical change to the environment; however, none of those projects within the Budget are approved for implementation until each such project has been subject to individual environmental review prior to taking any action in furtherance of such activity.

2009 Sacramento Housing and Redevelopment Agency Budget

Section 2. The 2009 Operating Budget totaling \$198,670,612 and the 2009 Project Budget totaling \$95,465,593, all as further described in the 2009 Proposed SHRA Budget (hereinafter "2009 SHRA Budget or "Budget"), a copy of which is on file with the SHRA Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of SHRA for the 2009 fiscal year. The 2009 SHRA Budget incorporates the budgets of the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Housing Authority of the City of Sacramento, 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 291 SHRA positions (reflecting a net decrease of .80 positions from the 2008 Budget), are approved subject to classification review by the Executive Director, or designee, of SHRA (Executive Director).

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

HUD Brownfield Economic Development Initiative	\$1,000,000
HCD Exterior Accessibility Grants for Renters Program	\$ 500,000
HCD CalHome Grant for Homeowner Loans	\$ 1,500,000
HCD BEGIN Homeowner Loan	\$ 2,670,000

Section 6. The Executive Director, or designee, is authorized to enter into necessary grants and contracts with HUD, the State Housing and Community Development Department (HCD), and other federal and state granting agencies for homeless programs transferred to the County, but for which SHRA was the designated recipient or contracting agency. The Executive Director, or designee, is authorized to accept such grants, amend the Budget accordingly, and transfer program responsibility to the County by

2009 Sacramento Housing and Redevelopment Agency Budget

entering into contracts and agreements pursuant to governing board approvals and subject to County acceptance of such transfer.

Section 7. The expenditure of Merged Downtown Redevelopment Project Area tax increment housing funds for activities serving the homeless, as set out in the Budget, will benefit the Merged Downtown Redevelopment Project Area in that it will provide housing for a homeless population which remains in or frequents the Merged Downtown Redevelopment Project Area and is perceived as a blighting influence by business owners, property owners, workers and residents, and, as a result, impedes redevelopment of the Merged Downtown Redevelopment Project Area.

Section 8. The proposed planning and administrative expenses paid for from the low and moderate income housing fund are necessary for the production, improvement and/or preservation of low and moderate income housing during the 2009 SHRA Budget year.

Section 9. The Executive Director, or designee, is authorized to obtain flood insurance through the federal flood insurance program for Agency properties and is authorized to purchase liability insurance and enter into agreements with risk retention pools or other similar organizations, 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.

Section 10. 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, SHRA 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 11. The SHRA Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 12. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 13. 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.

2009 Sacramento Housing and Redevelopment Agency Budget

- Section 14. The Executive Director, or designee, is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.
- Section 15. 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 16. The Executive Director, or designee, is authorized to transfer project appropriations among fund groups (such as among funds within a redevelopment project area).
- Section 17. 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 tax increment revenues.
- Section 18. The Executive Director, or designee, is authorized to transfer funding of approved capital projects within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations.
- Section 19. SHRA is authorized to execute and implement internal loans between SHRA 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 redevelopment purposes to assure receipt of anticipated redevelopment area tax increment revenues.
- Section 20. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect SHRA assets under contracts, loans, disposition and development agreements, owner participation agreements, and other SHRA agreements and to appropriate the associated revenues in the Budget. The Executive Director, or designee, is authorized to enter into "loan work outs," to the extent reasonably necessary to protect SHRA assets, and in entering such "work outs," the Executive Director, or designee, is authorized to rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property).

2009 Sacramento Housing and Redevelopment Agency Budget

Section 21. All project appropriations in existence as of December 31, 2008 will be carried over and continued in 2009.

Section 22. All multi-year operating grant budgets in existence as of December 31, 2008 shall be continued in 2009.

Section 23. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2008 may remain in effect in 2009. The Executive Director, or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2008, but only to the extent that the applicable division's 2008 operating budget appropriations exceeded 2008 expenditures.

Section 24. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2009 Budget.

Section 25. 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 SHRA Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 26. The Executive Director, or designee, is authorized to delegate the authorities as set out in this resolution.

Section 27. This resolution shall take effect immediately.

Table of Contents:

Exhibit A: - Summary of Changes to Agency 2009 Budget

2009 Sacramento Housing and Redevelopment Agency Budget

EXHIBIT A

**SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY PROPOSED 2009 BUDGET**

Proposed 2009 Total Operating Budget	\$198,670,612
Revised Proposed 2009 Total Operating Budget	\$0
Proposed 2009 New Projects	\$ 95,465,593
Revised Proposed 2009 New Projects	\$0
TOTAL SHRA BUDGET	\$294,136,205

RESOLUTION NO. 2008- ____

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF

APPROVAL OF 2009 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 (SHRA) is a joint powers agency comprised of six separate legal entities: City of Sacramento, Redevelopment Agency of the City of Sacramento, Housing Authority of the City of Sacramento, County of Sacramento, Redevelopment Agency of the County of Sacramento, and Housing Authority of the County of Sacramento.
- B. SHRA receives annual funding from a combination of federal, state and local sources.
- C. The sources of SHRA revenues require each constituent entity to have an operating budget adopted prior to the start of each new fiscal year.
- D. SHRA's fiscal year is the calendar year from January 1st through December 31st.

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

Section 1. The proposed action to adopt the 2009 Proposed SHRA Budget does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4), or undertaking under the National Environmental Policy Act (NEPA), as provided in 24 CFR Section 53.34(a)(3). The Budget includes the allocation of funds for activities (projects) that may have a physical change to the environment; however, none of those projects within the Budget are approved for implementation until each such project has been subject to individual environmental review prior to taking any action in furtherance of such activity.

2009 Sacramento Housing and Redevelopment Agency Budget

Section 2. The 2009 Operating Budget totaling \$198,670,612 and the 2009 Project Budget totaling \$95,465,593, all as further described in the 2009 Proposed SHRA Budget (hereinafter "2009 SHRA Budget or "Budget"), a copy of which is on file with the SHRA Clerk and copies of which have been provided to the respective governing board members, are approved as the Budget of SHRA for the 2009 fiscal year. The 2009 SHRA Budget incorporates the budgets of the Redevelopment Agency of the City of Sacramento, the Redevelopment Agency of the County of Sacramento, the Housing Authority of the City of Sacramento, 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 291 SHRA positions (reflecting a net decrease of .80 positions from the 2008 Budget), are approved subject to classification review by the Executive Director of SHRA (Executive Director).

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 Executive Director, or designee, is authorized to submit the 2009 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.

Section 6. The proposed expenditures under the 2009 Housing Operating Budget are necessary in the efficient and economical operation of SHRA housing to serve low-income families.

Section 7. The housing financial plan set forth in the 2009 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. All proposed rental charges and expenditures contemplated by the 2009 Housing Operating Budget shall be consistent with provisions of law and the Annual Contributions Contract

2009 Sacramento Housing and Redevelopment Agency Budget

- d. It includes asset management project budgets prepared on an individual basis as shown in the Schedule of Public Housing AMP, Central Office, and Central Services 2009 Budget attached as Exhibit B.

Section 8. Form HUD-52574 *08/2005), attached as Exhibit C 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 9. 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 10. The Executive Director, or designee, is authorized to submit applications to HUD for Capital Fund Plan funding. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents 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 11. On an annual basis, HUD requires SHRA to conduct a physical inventory, analyze receivables for collectability and accordingly, reconcile and adjust related financial records. The Executive Director, or designee, is authorized to amend the Budget and financial records as needed for such adjustments.

Section 12. The Executive Director, or designee, is authorized to obtain flood insurance through the federal flood insurance program as required by HUD for Housing Authority properties and is authorized to purchase liability insurance and enter into agreements with risk retention pools or other similar organizations, 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.

Section 13. Subject to availability under the Budget of any required Housing Authority funds, the Executive Director, or designee, 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 SHRA/Housing Authority policy and governing board approvals.

2009 Sacramento Housing and Redevelopment Agency Budget

Section 14. The Executive Director, or designee, is authorized and directed to approve, submit and implement the Comprehensive SHRA Annual Plan, Comprehensive Five-Year Plan, and the attachments and/or amendments to such Plans to comply with the Quality Housing and Responsibility Act of 1998.

Section 15. 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). If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants, execute all related documents and amend the Budget accordingly. The Executive Director, or designee, is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. The Executive Director, or designee, is authorized to amend by the amount of the difference the Capital Reserve Project in the event that the actual entitlement exceeds, or is less than, that estimated in the Budget.

Section 16. The Executive Director, or designee, is authorized to delegate authority to the County Department of Human Assistance to administer ESG and HOPWA programs and expend funds and to execute contracts with the appropriate entities to carry out the activities contained within the terms of the Action Plan utilizing ESG and HOPWA funds, strictly in accordance with the terms of the Action Plan and funding source requirements.

Section 17. The Executive Director, or designee, is authorized to submit grant applications for any and all activities within the jurisdiction of SHRA. If such grants are awarded, the Executive Director, or designee, is authorized to accept the grant or grants (provided that the activities are fully funded by the grant or within the Budget), execute all related documents and amend the Budget. The Executive Director, or designee, is directed to comply with all policies, procedures, and requirements prescribed as a condition of such grants. Such Budget expenditure and amendments are permitted for positions, services and supplies, equipment and projects, and include but are not limited to the following:

HUD Brownfield Economic Development Initiative	\$1,000,000
HCD Exterior Accessibility Grants for Renters Program	\$ 500,000
HCD CalHome Grant for Homeowner Loans	\$ 1,500,000
HCD BEGIN Homeowner Loan	\$ 2,670,000

Section 18. The Executive Director, or designee, is authorized to enter into necessary grants and contracts with HUD, the State Housing and Community Development Department (HCD), and other federal and state granting

2009 Sacramento Housing and Redevelopment Agency Budget

agencies for homeless programs transferred to the County, but for which SHRA was the designated recipient or contracting agency. The Executive Director, or designee, is authorized to accept such grants, amend the Budget accordingly, and transfer program responsibility to the County by entering into contracts and agreements pursuant to governing board approvals and subject to County acceptance of such transfer.

Section 19. 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, SHRA 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 20. The SHRA Budget is controlled at the fund group level. Except as provided in this resolution, no expenditure will exceed the approved Budget.

Section 21. The Executive Director, or designee, is authorized to amend the Budget to appropriate for expenditure all revenues received in revolving funds.

Section 22. 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 23. The Executive Director, or designee, is authorized to transfer appropriations up to \$100,000 per transaction in Operating Budget and contingency reserves.

Section 24. 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 25. The Executive Director, or designee, is authorized to transfer project appropriations among fund groups (such as among funds within a redevelopment project area).

2009 Sacramento Housing and Redevelopment Agency Budget

- Section 26. 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 tax increment revenues.
- Section 27. The Executive Director, or designee, is authorized to transfer funding of approved capital projects within the respective project area funds in compliance with approvals, bond covenants, tax laws and applicable redevelopment laws and regulations.
- Section 28. SHRA is authorized to execute, and implement internal loans between SHRA 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 redevelopment purposes to assure receipt of anticipated redevelopment area tax increment revenues.
- Section 29. The Executive Director, or designee, is authorized to exercise default remedies and take other actions to protect SHRA assets under contracts, loans, disposition and development agreements, owner participation agreements, and other SHRA agreements and to appropriate the associated revenues in the Budget. The Executive Director, or designee, is authorized to enter into "loan work outs," to the extent reasonably necessary to protect SHRA assets, and in entering such "work outs," the Executive Director, or designee, is authorized to rewrite the terms of the loan as if the loan were made according to current loan program underwriting criteria (including forgiveness of principal as necessary to reflect underwriting the loan at current fair market value of the subject property).
- Section 30. All project appropriations in existence as of December 31, 2008 will be carried over and continued in 2009.
- Section 31. All multi-year operating grant budgets in existence as of December 31, 2008 shall be continued in 2009.
- Section 32. All encumbrances for valid purchase orders and contracts in effect as of December 31, 2008 may remain in effect in 2009. The Executive Director, or designee, is authorized to increase the Budget for valid encumbrances as of December 31, 2008, but only to the extent that the applicable division's 2008 operating budget appropriations exceeded 2008 expenditures.
- Section 33. The Executive Director, or designee, is authorized to incorporate the changes listed on Exhibit A as part of the 2009 Budget.

2009 Sacramento Housing and Redevelopment Agency Budget

Section 34. 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 SHRA Budget, the Sacramento Housing and Redevelopment Commission is delegated the authority to approve and deliver such resolution.

Section 35. The Executive Director, or designee, or designee, is authorized to delegate the authorities as set out in this resolution.

Section 36. This resolution shall take effect immediately.

Table of Contents:

Exhibit A - Summary of Changes to the Agency 2009 Budget

Exhibit B - 2009 City Public Housing Asset Management Projects (AMP) and Central Office Cost Center (COCC)

Exhibit C - HUD Resolution Approving the 2009 AMP Budgets (form HUD-52574)

2009 Sacramento Housing and Redevelopment Agency Budget

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY PROPOSED 2009 BUDGET

Proposed 2009 Total Operating Budget	\$198,670,612
Revised Proposed 2009 Total Operating Budget	\$0
Proposed 2009 New Projects	\$95,465,593
Revised Proposed 2009 New Projects	\$0
TOTAL SHRA BUDGET	\$294,136,205

City Public Housing AMP, Central Office and Central Services Budget

January 1 - December 31, 2009

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	City AMP 8	City AMP 9	Total City Public Housing	City COCC Central Office & Central Svc
Beginning fund equity	\$ 384,849	\$ 165,724	\$ 30,620	\$ 29,278	\$ 90,695	\$ 54,723	\$ 29,942	\$ 87,331	\$ 18,150	891,312	\$ 300,821
Revenues:											
HUD Operating Subsidy	1,063,392	1,254,566	534,563	374,207	401,350	521,742	382,710	253,526	231,994	5,018,050	-
Maintenance Charges to Tenants	10,000	25,000	10,000	7,000	30,000	3,000	30,000	4,000	3,000	122,000	-
Washer/Dryer Income	4,000	-	20,000	5,000	5,000	3,000	5,000	-	-	42,000	-
Rental Income - Dwelling	790,000	800,000	850,000	450,000	380,000	340,000	425,000	300,000	170,000	4,505,000	-
Rental Income - Commercial	-	-	18,000	-	-	109,049	-	-	-	127,049	-
Interest Income - Investment	3,500	3,300	2,800	1,500	2,000	2,000	1,000	3,000	1,000	20,100	-
Bad Debt Recovery	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	7,050	7,590	4,150	4,050	3,050	360	1,000	2,100	1,500	30,850	-
Management Fee	-	-	-	-	-	-	-	-	-	-	1,320,709
IT/Bookkeeping Fee	-	-	-	-	-	-	-	-	-	-	188,497
Asset Management Fee	-	-	-	-	-	-	-	-	-	-	166,280
Admin Fee (CFP)	-	-	-	-	-	-	-	-	-	-	356,462
Central services fees	-	-	-	-	-	-	-	-	-	-	184,026
Total operating revenue	1,877,942	2,090,456	1,439,513	841,757	821,400	979,151	844,710	562,626	407,494	9,865,049	2,215,974
CFP operating transfers	-	-	-	60,006	49,833	156,918	68,460	9,391	135,742	480,350	-
CFP Mgmt impr transfers	99,442	62,714	130,618	29,239	25,855	150,068	76,943	11,514	16,697	603,090	-
Total revenues and transfers in	1,977,384	2,153,170	1,570,131	931,002	897,088	1,286,137	990,113	583,531	559,933	10,948,489	2,215,974
Expenditures:											
Employee Services:											
- Management	194,786	280,658	166,171	151,743	164,669	97,172	171,370	43,134	43,134	1,312,837	901,313
- Maintenance	445,695	314,862	325,783	223,865	156,016	275,259	156,016	102,227	102,227	2,101,950	-
- Resident Trainees	26,049	10,019	24,046	10,017	14,027	24,046	14,027	4,008	4,008	130,247	-
Total Employee Services	666,530	605,539	516,000	385,625	334,712	396,477	341,413	149,369	149,369	3,545,034	901,313
Services & Supplies:											
- Management	398,366	269,429	328,193	226,961	259,473	359,310	241,964	203,786	157,803	2,445,285	1,312,796
- Maintenance	373,906	678,384	237,413	159,728	232,532	238,418	200,351	221,380	182,669	2,524,781	-
- Resident Trainees	73,393	52,695	106,572	19,222	11,828	126,022	62,916	7,506	12,689	472,843	-
Total Services & Supplies	845,665	1,000,508	672,178	405,911	503,833	723,750	505,231	432,672	353,161	5,442,909	1,312,796
Other Charges:											
- Central Service Fees	32,000	-	28,924	16,987	22,591	22,721	30,904	2,500	2,500	159,127	-
- Miscellaneous (PILOT, Depr.)	60,438	65,791	53,348	29,194	25,162	40,941	28,533	28,012	16,126	347,545	-
Management Fee (\$51.08 / unit)	214,824	227,174	194,593	107,255	88,810	137,366	99,739	51,026	49,817	1,170,604	-
IT / Bookkeeping Fee (\$7.50 / door)	30,660	32,422	27,773	15,308	12,675	19,605	14,235	7,283	7,110	167,071	-
Asset Management (\$10.00 / doot)	43,200	46,920	38,160	-	-	-	-	-	-	128,280	-
Total operating expense	1,893,317	1,978,354	1,530,976	960,280	987,783	1,340,860	1,020,055	670,862	578,083	10,960,570	2,214,109
Ending Balance	\$ 468,916	\$ 340,540	\$ 69,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 879,231	\$ 302,686

HUD Resolution Approving the AMP Budgets
City 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 Fiscal Year Beginning: 01/01/09

PHA Code: CA005
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: Mayor Heather Fargo	Signature:	Date:
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