



**Sacramento  
Housing &  
Redevelopment  
Agency**

**REPORT TO HOUSING AUTHORITY**  
**City of Sacramento**  
 915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

Consent  
**March 31, 2009**

**Chair and Members of the Housing Authority Board**

**Title: 2009 American Reinvestment and Recovery Act Capital Funds**

**Location/Council District: All**

**Recommendation:** Adopt a **Housing Authority Resolution** authorizing the Executive Director or her designee to: 1) submit an Annual Contribution Contract Amendment to the United States Department of Housing and Urban Development (HUD) - Office of Capital Improvement Recovery (OCI) for funding under the American Recovery and Reinvestment Act of 2009; 2) authorize the Housing Authority of the City of Sacramento to receive the American Reinvestment and Recovery Act (ARRA) Formula grant funds; 3) execute and submit any related documents necessary to participate in the additional funds available through the ARRA; 4) amend the 5-year Capital Fund Plan to receive and expend not more than \$4,651,660 in ARRA Capital fund grants for modernization of public housing developments; and 5) amend the Housing Authority budget to receive and expend not more than \$4,651,660 in American Recovery and Reinvestment Act of 2009 funding for substantial modernization of public housing units.

**Contact:** Nick Chhotu, Assistant Director of Public Housing, 916-440-1334  
 Cecette Hawkins, Management Analyst, 916-440-1421

**Presenters:** Not Applicable

**Department:** Sacramento Housing and Redevelopment Agency

**Description/Analysis**

**Issue:** In recognition of the need to provide rapid relief to many who are affected by the current economic crisis facing the country, HUD's Office of Capital Improvement Recovery announced the award of \$2.985 billion in Capital Funds to Public Housing Agencies (PHAs) participating in the public housing program throughout the nation. Funding for this award was provided by the passage of the federal "Stimulus Bill" signed on February 17, 2009. The Capital Fund program offers an excellent opportunity for the public housing developments in the City to directly receive additional modernization funding. Staff anticipates an allocation of \$4,651,660 under this grant award. In addition, it is hoped that this funding will result in numerous employment opportunities for contractors and construction workers.



## 2009 American Recovery And Reinvestment Act Capital Funds

It is anticipated that this funding will assist nationally with the modernization of tens of thousands of public housing units. The Department is moving with unprecedented speed to make Capital Funding available to PHAs within 30 days of the enactment of the Recovery Act legislation. PHAs are to give priority to projects that are ready to begin construction and projects that will increase energy efficiency and lower the long term costs of operating public housing. Housing Authorities are required to submit documentation to OCI no later than April 10, 2009 in order to receive these awards. The Housing Authority must obligate 100% of the one-time ARRA Capital Fund grant within one year of the effective date of the grant, expend at least 60% of the ARRA Capital Fund grant amounts within two years, and expend 100% of the ARRA capital fund grant within 3 years. Any unexpended funds at the end of each year will be recaptured.

**Policy Considerations:** Public housing authorities are required to comply with applicable federal laws and regulations, including the Quality Housing and Work Responsibility Act of 1998 (QHWRA). Additionally, this action furthers the commitment of the City through the 2008-2013 Housing Element to preserve and rehabilitate existing affordable housing and to provide housing for extremely low income households. Supporting Policies H-3.1.1 on extremely low income needs and H-4.4 on preservation of affordable housing, Program 74 confirms the City's commitment to the Housing Authority Asset Repositioning Strategy.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The proposed action to accept the Grant does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378(b) (4).

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

**Sustainability Considerations:** The recommended actions would position the Housing Authority to achieve the goal within the City's Sustainability Master Plan to replace or renovate obsolete energy or resource inefficient infrastructure (buildings, facilities, systems, etc).

**Committee/Commission Action:** Sacramento Housing and Redevelopment Commission (SHRC) Action: At its meeting on March 18, 2009, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

2009 American Recovery And Reinvestment Act Capital Funds

AYES: Burruss, Chan, Dean, Fowler, Gore, Morgan, Otto, Shah

NOES: None

ABSENT: Stivers

**Rationale for Recommendation:** The American Recovery and Reinvestment Act of 2009 award would provide funding to substantially modernize the City's public housing units, increase housing opportunities for very low income households, and provide increased employment opportunities for construction workers and contractors.

**Financial Considerations:** This report recommends amending the 2009 budget to accept and expend the ARRA Capital Funds grant as described above. The program funds are in the form of a grant; no repayment to the OCI is required if funds are obligated in accordance with the funding regulations. Staff anticipates the receipt of \$4,651,660 in grant funding.

**M/WBE Considerations:** The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by:   
LASHELLE DOZIER  
Executive Director

Recommendation Approved:

  
RAY KERRIDGE  
City Manager

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## **RESOLUTION NO. 2009 -**

**Adopted by the Housing Authority of the City of Sacramento**

on date of

### **AUTHORIZATION FOR HOUSING AUTHORITY OF THE CITY OF SACRAMENTO TO APPLY FOR, ACCEPT AND ADMINISTER THE CAPITAL FUNDS FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

#### **BACKGROUND**

- A. The Public Housing Agency desires to apply for and receive an allocation of Capital Funds through the American Recovery and Reinvestment Act of 2009 (ARRA).
- B. The US Department of Housing and Urban Development (HUD) - Office of Capital Improvements Recovery (OCI) recently announced the award of the American Recovery and Reinvestment Act of 2009, which provides Capital Funds to Public Housing Agencies participating in the public housing program throughout the nation.
- C. The Capital Fund provides funds, annually, to Public Housing Agencies (PHA) for the development, financing, and modernization of public housing developments and for management improvements.

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

- Section 1. The Executive Director, or her designee, is authorized and directed to submit an Annual Contribution Contract Amendment to the United States Department of Housing and Urban Development - Office of Capital Improvement Recovery for funding under the ARRA
- Section 2. The Housing Authority of the City of Sacramento is authorized to adopt a resolution authorizing receipt of the ARRA Formula grant funds.
- Section 3. The Executive Director, or her designee, is authorized to execute and submit any related documents necessary to participate in the additional funds available through the ARRA.
- Section 4. The Executive Director, or her designee, is authorized to amend the 5-year Capital Fund Plan to receive and expend not more than \$4,651,660 in ARRA Capital fund grants for modernization of public housing developments.

2009 American Recovery And Reinvestment Act Capital Funds

Section 5. The Executive Director, or her designee, is authorized to amend the Housing Authority budget to receive and expend, pursuant to HUD and Agency procurement regulations and policies, not more than \$4,651,660 in American Recovery and Reinvestment Act of 2009 funding for substantial modernization of public housing units.