



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

Consent  
**February 28, 2012**

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

**Title: Approval of an Application for the Disposition of Housing Authority Owned Properties Located at 4052 Weymouth Lane, 4225 Weymouth Lane, and 7312 Franklin Boulevard, #1, Sacramento, CA**

**Location/Council District:** 4052 and 4225 Weymouth Lane and 7312 Franklin Blvd, #1/Council District 8

**Recommendation:** Adopt a **Housing Authority Resolution** authorizing the Executive Director or her designee to: 1) submit a disposition application to the U.S. Department of Housing and Urban Development (HUD) for the disposition of 4052 Weymouth Lane, 4225 Weymouth Lane, and 7312 Franklin Boulevard (CA30-P005-002) in Sacramento, CA, 2) execute documents to remove the units from the Public and Indian Housing Information Center database (PIC) so that the units are no longer subject to an Annual Contributions Contract, and 3) make related findings.

**Contact:** Nick Chhotu, Assistant Director of Public Housing, 916-440-1334, Cecette Hawkins, Management Analyst, 916-449-6218

**Presenters:** Not applicable

**Department:** Sacramento Housing and Redevelopment Agency

**Description/Analysis**

**Issue:** The Housing Authority of the City of Sacramento (HACS) currently owns and has a Declaration of Trust (DOT) and Annual Contributions Contract (ACC) on three properties at 4052 Weymouth Lane, 4225 Weymouth Lane, and 7512 Franklin Boulevard #1. Staff has determined that these properties are surplus to the needs of the Housing Authority's public housing program and is seeking authority to remove them from the public housing inventory. The units are isolated, vacant and boarded units located in a complex of 122 non public housing units owned by HACS. The three units are in need of substantial rehabilitation and are uninhabitable. It is not feasible for even the basic short-term work needed at these units to be accomplished within a reasonable time period with current public housing funds, and their long-term operating viability also is in question.

Approval of Housing Authority Disposition Application

Upon Housing Authority Board approval, Staff will request approval from HUD to remove the Declaration of Trust and the Annual Contribution Contract (ACC) from these three units and incorporate them into the Morrison Creek Estates, Wildwood, and Brookfield developments which will bring the total number of units owned by HACS at these developments to 125. Legal ownership of the units will not change but these units, along with the current units owned by HACS in this area, will be rented to low-income families (household with income at 80 percent or below the Area Median Income). It is crucial that steps be taken to stabilize operations at these properties and position them to benefit from resources at Morrison Creek Estates, Wildwood, and Brookfield by moving forward with this disposition.

To obtain HUD approval, the Housing Authority must provide a resolution evidencing the Board's support for and approval to submit the disposition application. The disposition application would commit the Housing Authority to the proposed plan outlined above. In addition, staff has determined that no public housing funds were used for the acquisition or the rehabilitation of these units

Recommendations included in this report are consistent with the goals identified in the 2007 Housing Authority Asset Repositioning Study (Study) which was approved by the City and County Housing Authority Boards in August of 2007. The Study was performed as a proactive strategy to align Sacramento Housing and Redevelopment Agency (SHRA) operations to the current funding environment. The challenge for the Housing Authority continues to be the very limited resources available to operate public housing units in the City and County of Sacramento. The Study recommends strategies that acknowledge this funding environment while adhering to SHRA's "guiding principles" and continuing to meet the needs of SHRA's traditional constituents. The primary goal identified in the 2007 study included the restructuring and/or repositioning of SHRA public housing assets to reduce dependency on federal public housing funding and eliminate ongoing operating and capital deficits.

**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 California Environmental Quality Act (CEQA) does not apply to the proposed policy pursuant to CEQA Guidelines section 15378(b)(5), which excludes administrative activities of governments that will not result in direct or indirect changes in the environment.

**National Environmental Policy Act (NEPA):** The proposed actions are categorically excluded under the National Environmental Policy Act (NEPA) per 24 CFR Part 58.35(a)(5), which includes the disposition of property where no change in use is contemplated.

**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:** At its meeting on January 18, 2012, the Sacramento Housing and Redevelopment Commission reviewed the staff recommendation for this item. The vote was as follows:

AYES: Fowler, Gore, Johnson, Le Duc, Morgan, Morton, Rosa, Shah, Stivers

NOES: none

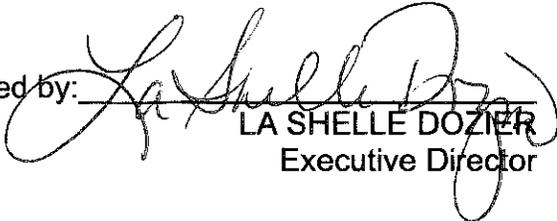
ABSENT: Alcalay, Chan

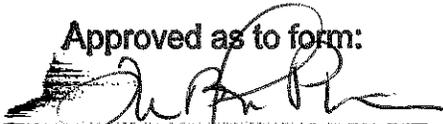
**Rationale for Recommendation:** Due to the limited federal funds available which has resulted in a structural deficit and the inability to undertake critical renovations, it is imperative that the Housing Authority diversify its existing portfolio and develop alternative funding strategies through asset repositioning.

**Financial Considerations:** The recommended actions in this report will facilitate additional financial resources for the rehabilitation of these housing authority units. This report does not recommend any amendment to the Agency budget.

Approval of Housing Authority Disposition Application

**M/WBE Considerations:** The activities recommended in this staff report do not involve federal funding, therefore, there are no M/WBE requirements.

Respectfully Submitted by:   
LA SHELLE DOZIER  
Executive Director

Approved as to form:  
  
Agency Counsel

<b>Table of Contents</b>	
Report	pg. 1
<b>Attachments</b>	
1 Resolution	pg. 5
2 Map	pg. 7



## **RESOLUTION NO. 2012 -**

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

on date of

### **SUBMISSION OF AN APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) FOR THE DISPOSITION OF THE PROPERTIES LOCATED AT 4052 WEYMOUTH LANE, 4225 WEYMOUTH LANE AND 7312 FRANKLIN BOULEVARD, #1**

#### **BACKGROUND**

- A. The properties located at 4052 Weymouth Lane, 4225 Weymouth Lane and 7312 Franklin Boulevard, #1 are vacant and surplus properites in excess to the needs of public housing.
- B. No Capital Funds were used on the acquisition or the rehabilitation of these properties. Capital Funds were initially proposed for the rehabilitation of these units but were not utilized, thus these units should not be categorized as public housing units subject to an Annual Contribution Contract.
- C. The California Environmental Quality Act (CEQA) does not apply to the proposed action pursuant to CEQA Guidelines section 15378(b)(5), which excludes administrative activities of governments that will not result in direct or indirect changes in the environment.
- D. The proposed actions are categorically excluded under the National Environmental Policy Act (NEPA) per 24 CFR Part 58.35(a)(5), which includes the disposition of property where no change in use is contemplated.
- E. The disposition of these properties is consistent the National Housing Act, the recommendations identified in the Housing Authority Asset Repositioning Strategy adopted on August 21, 2007, and the goals of the Housing Authority annual Public Housing Agency (PHA) Plan.

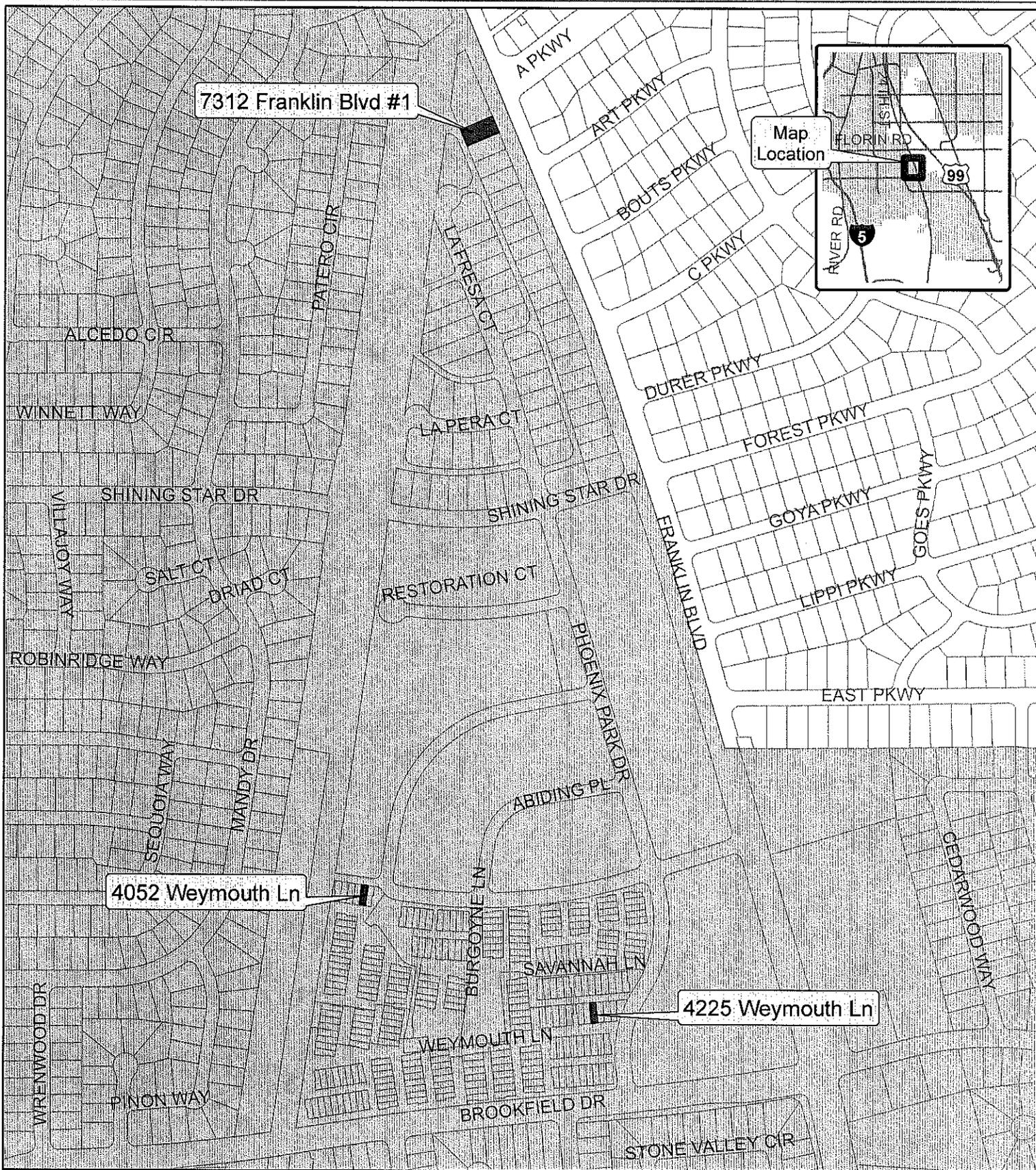
#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. After due consideration of the information presented, the findings, including the environmental findings as stated above, are approved.
- Section 2. The Executive Director is authorized to submit an application to HUD for the disposition of the 4052 Weymouth Lane, 4225 Weymouth Lane and 7312 Franklin Boulevard, #1.

Section 3. Upon HUD approval of the disposition application, the Executive Director, or her designee, is authorized to execute such documents and take such action as may be necessary to remove the units from Public and Indian Housing Information Center database (PIC) so that the units are no longer public housing units subject to an Annual Contributions Contract.



# Approval of Housing Authority Disposition Application



Map Location

-  City of Sacramento
-  Proposed Property Disposition Parcel

0 380 760 Feet



SHRA GIS  
January 4, 2012