

## RESOLUTION NO. 2013-0010

Adopted by the Sacramento City Council

January 8, 2013

### APPROVAL OF THE 2013-17 CONSOLIDATED PLAN AND THE ADOPTION OF THE 2013 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT, (CDBG), HOME INVESTMENT PARTNERSHIP PROGRAM (HOME), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS; AMENDMENT TO PREVIOUS YEARS' ONE-YEAR ACTION PLANS; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (SHRA) BUDGET AND; AND EXECUTE DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS

#### BACKGROUND

- A. The U.S. Department of Housing and Urban Development (HUD) requires adoption of a Five-Year Consolidated Plan (Con Plan) and an annual Action Plan, consistent with the Con Plan, to identify the programs and projects for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Housing Opportunities for Persons With AIDS (HOPWA), and Emergency Solutions Grant (ESG) funds.
- B. Since 1982 (by Resolutions 82-424, RA-94, HA-1526 and the joint powers agreement), the Sacramento Housing and Redevelopment Agency (SHRA) on behalf of its constituent entities has served as the public entity designated to efficiently administer the CDBG and HOME funding originating from the HUD, including on behalf of the City of Sacramento. However, HUD requires a local government agency to draw down federal funds. With the dissolution of the Redevelopment Agency of the City of Sacramento, Resolution No. 82-425 needs to be repealed and the Housing Authority of the City of Sacramento designated to perform the federal grant draws on behalf of the City of Sacramento.
- C. The Sacramento County Department of Human Assistance (DHA) previously administered the HOPWA program on behalf of the City of Sacramento for the Counties of Sacramento, El Dorado, Placer and Yolo, and has subsequently requested that SHRA administer HOPWA (effective January 1, 2012).
- D. Due to the decline of financial resources, the Director of DHA formally requested to that SHRA also administer the ESG program (effective January 1, 2013) on behalf of the City of Sacramento.
- E. The regulations for the Continuum of Care were modified with the enactment of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, which now states that rental assistance must be administered by a state, local government or a Public Housing Agency.

- F. Community development grants from HUD administered directly by the recipient are required to secure environmental clearance; SHRA is designated as the agent for the City of Sacramento, which is the general unit of local government for the purpose of the HUD regulations, and SHRA is authorized to submit a determination of environmental clearance on the City's behalf and on behalf of non-profit organizations which are sub-grantees.
- G. A noticed public workshop soliciting comments on the 2013-17 Consolidated Plan was held on October 25, 2012.
- H. A noticed public hearing soliciting comments on the 2013-17 Consolidated Plan and the 2013 One-Year Action Plan was held by the Sacramento Housing and Redevelopment Commission on January 2, 2013.

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

- Section 1. The 2013-17 Consolidated Plan, which lays out the strategies and goals for CDBG, HOME, HOPWA, and ESG programs, as set out in Exhibit A is adopted.
- Section 2. With the adoption of the 2013-17 Consolidated Plan, SHRA is hereby responsible for the administration of the HOPWA and ESG programs on behalf of the City of Sacramento.
- Section 3. The City Manager and the SHRA Executive Director are authorized to enter into the revised Memorandum of Understanding (MOU) for SHRA's continued administration of the CDBG, HOME, HOPWA, and ESG grants on behalf of the City of Sacramento as set out in Exhibit F.
- Section 4. The 2013 One-Year Action Plan, which allocates anticipated CDBG, HOME, HOPWA and ESG funds to various programs and projects as set out in Exhibit B, is adopted.
- Section 5. City resolution 82-425 is hereby repealed and the Housing Authority of the City of Sacramento, staffed by SHRA, is hereby designated as the entity for administering the Action Plans funding and the federal grant draw function on behalf of the City of Sacramento.
- Section 6. The One-Year Action Plan amendment, to defund the activities set forth in Exhibit C and to add the projects set out in Exhibit D, is adopted.
- Section 7. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated in Exhibit E, are approved.

- Section 8. The Executive Director, or 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; allocate the CDBG, HOME, HOPWA and ESG grant funding for programs and projects as set out in the 2013 One-Year Action Plan; and to amend the 2013 CDBG Capital Reserve, HOME and HOPWA budgets to the extent necessary to implement and ensure the timely completion of the activities set out in Exhibits B, C and D. In addition, SHRA's Executive Director, or designee, is authorized to amend the SHRA budget to allocate and amend the 2011 and 2012 ESG budgets to the extent necessary to implement and ensure timely completion of the activities as set out in prior years' Action Plans and in the 2013 Action Plan activities.
- Section 9. SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to submit the amendment of prior years' Action Plan(s) and the 2013 One-Year Action Plan to HUD; execute the subsequent grant agreements with HUD; and to execute agreements and contracts with the appropriate entities to carry out the CDBG, HOME, HOPWA, and ESG projects in accordance with the 2013 One-Year Action Plan. All such agreements shall be in compliance with applicable federal law.
- Section 10. The City Manager is authorized to execute agreements with SHRA to carry out the activities contained in the 2013 One-Year Action Plan. All such agreements shall be in compliance with applicable federal law.
- Section 11. SHRA's Executive Director, or designee, is authorized to make any budget adjustments and execute any and all related documents, including invoicing, contracts and amendments as necessary to carry out the federal programs.
- Section 12. The Housing Authority of the City of Sacramento, staffed by SHRA, is authorized to administer rental assistance for homeless families in accordance with the HEARTH regulations on behalf of the City of Sacramento.
- Section 13. SHRA's Executive Director, or designee, is further authorized to amend its budget and execute associated agreements, contracts and documents with the appropriate entities to carry out these activities in compliance with applicable adopted policies, guidelines and federal law as approved to form by SHRA Counsel.

## Exhibit A

# 2013-17 Consolidated Plan

## ES-05 Executive Summary

### 1. Introduction

HUD transformed the Consolidated Plan into a tool for priority-setting and targeted investment planning for housing and community development. These tools are designed to support need-driven, place-based decisions and informed public participation in guiding funding decisions in the next five years for specific federal funds (Community Development Block Grant, Neighborhood Stabilization Program, HOME Investment Partnership Program, Emergency Solutions Grant and Housing Opportunities for Persons with AIDS) to identify needs and adopt strategies to address those needs, focusing primarily on low- and moderate-income individuals and households. The Consolidated Plan must also address "special-needs" identified by the federal government or locally, such as the needs of the elderly, persons with disabilities, homeless individuals and others. The Sacramento Housing and Redevelopment Agency (SHRA) was selected by the U.S. Department of Housing and Urban Development (HUD) to participate as a community to create a pilot regional Consolidated Plan covering the City and County of Sacramento for the period covering 2013-17. This regional plan includes the Sacramento Urban County Agreement Cities of Folsom, Isleton and Galt, and the Consortium of the unincorporated County that includes the City of Citrus Heights. SHRA administers the Consolidated Plan on behalf of the City and County of Sacramento. The County of Sacramento (County) is the eighth most populated county in the State of California, consisting of urbanized neighborhoods, suburban cities, and rural communities. The range of issues confronting the County is as diverse as its residents. The County encompasses approximately 994 square miles in the middle of the 400-mile long Central Valley, which is California's prime agricultural region. According to the U.S. Census, the County has a population of over 1.4 million residents, of whom approximately 553,900 live in the Urban County area. The Urban County consists of the cities of Folsom (approximately 72,000), Isleton (approximately 800) and Galt (approximately 23,650), and the unincorporated communities of the County. The City of Sacramento (City) has a population of approximately 466,740 people. The diverse population of the Sacramento Region has divergent needs to help attain personal, educational, employment, recreational, housing, and other goals. Sacramento is struggling to balance limitations on available resources and the need to address some very critical issues including: a severe shortage of housing affordable to low- and moderate-income residents, homelessness, aging infrastructure and community facilities, inadequate services, and underemployment. A segment of the population faces increasingly challenging issues as the regional economy continues to grow and housing costs continue to rise faster than local incomes. To meet its community's needs, this Consolidated Plan is guided by three overarching goals that are applied according to its community's needs. The three overarching goals are:

- To provide decent housing by preserving the affordable housing stock, increasing the availability of affordable housing, reducing discriminatory barriers, increasing the supply of supportive housing for those with special needs, and transitioning homeless persons and families into housing.
- To provide a suitable living environment through safer, more livable neighborhoods, greater integration of low- and moderate-income residents throughout Sacramento, increased housing opportunities, and reinvestment in deteriorating neighborhoods.

- To expand economic opportunities through more jobs paying self-sufficient wages, greater homeownership opportunities, development activities that promote long-term community viability, and the empowerment of low- and moderate-income persons to achieve self-sufficiency.

## **2. Summary of the objectives and outcomes identified in the Plan Needs Assessment**

### **Overview**

There is an ongoing gap within Sacramento, in various degrees, in the availability of services across most categories of special need. This includes seniors, at-risk youth, working parents, persons with disabilities, individuals with chronic illness, and persons with other conditions affecting their ability to function independently and productively. In addition, there is a need to link access to supportive services to affordable and appropriate housing. More coordination and collaboration is needed between housing providers and service providers. The Consolidated Plan proposes that the public infrastructure funds be focused strategically on fewer, but larger projects in low-and moderate-income neighborhoods. The goal is to create a concentration of activity for strategic and visible impacts that deliver greater efficiencies and effectuate positive changes within the community. Several potential funding sources have been identified to implement the objectives and outcomes of the Consolidated Plan. Community Development Block Grant (CDBG): The primary objective of this program is to develop viable urban communities by providing decent and affordable housing, a suitable living environment, and economic opportunities, principally for persons of low- and moderate-income. Potential programs include: housing rehabilitation, lead-based paint detection and removal, construction or rehabilitation of public facilities and infrastructure, removal of architectural barriers or public services. Neighborhood Stabilization Program (NSP): Consistent with the objectives of the CDBG program, the goals of NSP include rapidly arresting the decline of targeted low-income neighborhoods negatively affected by abandoned, foreclosed, or vacant properties and the subsequent stabilization of these neighborhoods through improved economic opportunities, the provision of decent, affordable housing, and the development of a sustainable living environment. HOME Investment Partnership Program (HOME): The HOME program provides federal funds for the development and rehabilitation of affordable rental and ownership housing for low- and moderate-income households. HOME funds can be used for activities that promote a suitable living environment, decent and affordable rental housing and homeownership by low- and moderate-income households, including reconstruction, moderate or substantial rehabilitation, removal of architectural barriers and tenant-based rental assistance. Emergency Solutions Grant (ESG): The ESG program provides homeless persons with basic shelter and essential supportive services to promote decent and affordable housing, a suitable living environment, and economic opportunities. ESG funds can be used for a variety of activities, including: rapid re-housing and homeless prevention activities, rehabilitation or remodeling of a building used as a new shelter, operations and maintenance of facilities and essential supportive services. Housing Opportunities for Persons with AIDS (HOPWA): The HOPWA Program provides grant funds to design long-term, comprehensive strategies for meeting the decent and affordable housing sustainable living environment needs for low- and moderate-income people living with HIV/AIDS. HOPWA funds can be used for acquisition, rehabilitation, or new construction of housing, rental assistance, and related supportive services.

### **3. Evaluation of past performance**

SHRA measures performance using the Housing, Homeless and Community Development Needs Tables, which project and measure outputs and outcomes for CDBG, NSP, HOME and ESG. These tables summarize key data related to each of the Consolidated Plan goals.

These goals include:

- Develop, preserve, provide, and maintain affordable housing;
- Revitalize the low- and moderate-income neighborhoods with various infrastructure improvements including park, street, sidewalk, and sewer improvements; and
- Provide assistance to various public services, including homeless, youth, and senior programs.

HUD implemented this ongoing performance evaluation process to assess productivity, cost effectiveness, and the impact of projects and programs in City and County neighborhoods. SHRA prepares the Consolidated Annual Performance Evaluation and Reporting (CAPER), which captures progress toward meeting needs and achieving strategies. Through the monitoring of performance measures, staff is able to identify operational improvements, resource allocation issues, and policy questions to be addressed in the upcoming year. Overall, SHRA and its partners have been successful in implementing its public improvement and community service projects and programs and meeting the objectives established in the previous Consolidated Plan and foresees continued progress through the new Plan.

### **4. Summary of citizen participation process and consultation process**

The preparation of the Consolidated Plan began with "in-reach" among public agencies in the City and County. SHRA sought first to identify potential needs, services gaps and key issues on which to focus the community outreach process. The City and County of Sacramento encourage community participation in the development of the five-year Consolidated Plan. With focused starting points of issues and needs, an extensive community outreach program was implemented. SHRA is responsible for coordinating the citizen participation process for Sacramento. Community meetings were advertised in newspapers of general circulations and on the SHRA website. They were also advertised public announcements made in newspapers of general circulation.

### **5. Summary of public comments**

TEXT TO BE ADDED ON JANUARY 2, 2013 AFTER PUBLIC HEARING

### **6. Summary of comments or views not accepted and the reasons for not accepting them**

TEXT TO BE ADDED ON JANUARY 2, 2013 AFTER PUBLIC HEARING

## 7. Summary

The overall priority for these federal funds is to increase self-sufficiency and economic opportunity for lower-income residents and individuals with special needs so that they can achieve a reasonable standard of living. Sacramento is committed to allocating funds that serve the needs of the lowest-income and most disadvantaged residents. Households with incomes less than 50 percent of the area median income, particularly those with extremely low-incomes (less than 30 percent of area median income), are particular priorities. Sacramento has also identified special-needs individuals as among those who face the greatest challenges and who should receive high priority in the expenditure of federal funds, including at-risk children and youth, lower-income families, the homeless and persons threatened with homelessness, the elderly (especially frail elderly), and persons with disabilities. Priorities can be achieved through a combination of 1) decent and affordable housing; 2) investment in community development activities in targeted lower-income and deteriorating neighborhoods and in facilities that serve lower-income populations; and 3) supportive services to maintain independence. Sacramento, by focusing on these overall priorities, seeks to address community concerns such as:

- A need for additional decent and affordable housing to address the growing gap between housing costs and local incomes, which leads to rising rates of overcrowding, overpayment, and substandard housing conditions for Sacramento's lowest-income residents;
- Programs that improve community facilities and services laying the foundation for increased private investment, particularly in low-income areas;
- A network of shelters, housing, and services that prevent homelessness, including rapid re-housing and permanent housing, and the elimination of homelessness along the lines detailed in the 10-Year Plan to end chronic homelessness;
- Programs that promote economic development and create jobs and programs that increase the job skills level of potential employees; and
- Supportive services that increase the ability of seniors, persons with disabilities, and others with special needs to live independently and avoid institutions.

## 2013 One-Year Action Plan Activities

The U.S. Department of Housing and Urban Development (HUD) requires a consolidated planning process for the federal Community Development Block Grant (CDBG); HOME Investment Partnership Program (HOME); Housing Opportunities for Persons with AIDS (HOPWA); and Emergency Solutions Grant (ESG) programs. This process consolidates multiple grant application requirements into a single submission. The concept of the Consolidated Plan was developed to further HUD's statutory goals through a collaborative process involving the community to establish a unified vision for future community development actions.

The Five-Year Consolidated Plan outlines proposed strategies for the expenditure of CDBG, HOME, HOPWA, and ESG funds for the period 2013-17. In general, the mission of the Consolidated Plan is to revitalize selected lower-income neighborhoods and to assist disadvantaged populations by providing adequate public facilities and services, generating affordable housing opportunities, and stimulating economic development.

The One-Year Action Plan is the annual update to the 2013-17 Consolidated Plan. A key component of the One-Year Action Plan is the allocation of funds to proposed activities. This portion of the plan describes activities the jurisdiction will undertake in the coming year. Proposed activities address the priority needs and specific objectives of the five-year Consolidated Plan, proposed to be adopted by the Sacramento City Council in this report.

In addition, a description of other actions to further the Consolidated Plan strategies is required by HUD as part of the One-Year Action Plan application. These include the Public Housing Authority Administrative Plan, the Citizen Participation Plan, the Continuum of Care Plan and the 10-Year Plan to End Chronic Homelessness. These documents, on file with the Agency Clerk, are incorporated into this staff report and the record by this reference.

The One-Year Action Plan is based on the following estimated revenues

Revenue Source	Estimated Revenue
CDBG Entitlement	\$4,141,637
CDBG Program Income	\$66,949
HOME Entitlement	\$1,854,531
HOME Program Income	\$332,447
ESG Entitlement	\$452,693
HOPWA Entitlement	\$900,755
HOPWA Reprogramming	\$0
<b>Total Revenue</b>	<b>\$7,749,012</b>

The following summarizes proposed activities for 2013. Activities are organized into the following categories; funding totals for each category are indicated.

Funding Category	Proposed HUD Funding
Infrastructure and Public Improvements	\$865,963
Housing Development, Preservation and Homeownership	\$3,110,501
Public Services	\$1,902,402
Grant Planning and Administration	\$1,096,329

HUD Loan Repayments	\$350,686
CDBG Capital Reserve	\$423,131
<b>Total Revenue</b>	<b>\$7,749,012</b>

**INFRASTRUCTURE AND PUBLIC IMPROVEMENTS**

The following are recommended capital improvements of public or community-based facilities and public rights-of-way to be completed within 18 months. These activities, when appropriate, will be coordinated with other City Departments to maximize leveraging with the City's capital improvement plans.

Activity Name	Funding	Source
<b>12th Street Streetscape Project:</b> Funds will be used for the engineering design of the pedestrian improvements along 12th Street.	\$90,000	CDBG
<b>Richards Boulevard Streetscape Project:</b> Funds will be used for engineering design of streetscape and pedestrian improvements.	\$325,000	CDBG
<b>R Street Phase II:</b> Funds will be used to enhance pedestrian amenities, lighting, streetscaping, street furniture and other architectural treatment.	\$20,000	CDBG
<b>R Street Phase III:</b> Funds will be used for preliminary engineering, conceptual design and environmental clearance.	\$75,000	CDBG
<b>D Street &amp; 16th Street Traffic Signal:</b> Funds will be used to design and construct new traffic signal at the intersection.	\$40,000	CDBG
<b>Capital Improvement Project Scoping:</b> Funding for early cost estimates, conceptual design, and/ or environmental for CDBG-eligible projects. Location and scope to be determined by an internal process of requests on first-come, first-served basis. CDBG staff to determine eligibility of activity.	\$100,000	CDBG
<b>Public Improvements Implementation:</b> Staffing and supportive services for capital improvement projects in 2013.	\$215,963	CDBG
<b>Total Infrastructure and Public Improvements</b>	<b>\$865,963</b>	

**HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP**

The following are recommended activities that increase the marketability and livability of neighborhoods

Activity Name	Funding	Source
<b>Multi-Family Housing Acquisition and Rehabilitation:</b> Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family	\$552,000	CDBG
	\$66,949	CDBG PI
	\$834,539	HOME

housing.	\$166,224	HOME PI
<b>Multi-Family Housing New Construction:</b> Provides loans for the construction of multi-family housing.	\$834,539	HOME
	\$166,223	HOME PI
<b>Emergency Repair Program/Accessibility Grant Program (ERP-A):</b> This program provides grants of up to \$5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications.	\$300,000	CDBG
<b>Minor Repair &amp; ADA for Seniors and Low Income Homeowners Program:</b> Provides for administrative costs associated with minor home repairs for low- and moderate-income homeowners and the administrative oversight for the Home Assistance Repair Program for Seniors (HARPS).	\$46,000	CDBG
<b>Housing Programs Delivery:</b> Supportive services for the multi-family rehabilitation/new construction, emergency repair/accessibility programs in 2013.	\$144,027	CDBG
<b>Total Housing Development, Preservation, and Homeownership</b>	\$3,110,501	

<b>PUBLIC SERVICES</b>
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The following are recommended funding allocations to support human assistance programs. For CDBG, HUD limits funding for public services to 15 percent of the total amount of entitlement and program income.

Activity Name	Funding	Source
<b>Emergency Solutions Grant:</b> Funding of shelter(s) to provide approximately 100-bed 24-hour shelter for women and children, with a 90-day maximum stay and to prevent homelessness.	\$407,424	ESG
<b>Homeless Activities:</b> Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, medical and counseling services, and the provision of food.	\$69,621	CDBG
<b>Senior Nutrition Program:</b> Provides meals to homebound seniors and to non-homebound seniors at over 21 dining sites.	\$431,625	CDBG
<b>Downtown SRO Supportive Services:</b> Provides coordination of health and human services, crisis intervention, independent living skills, drug and alcohol recovery, and community building activities at four downtown hotels. The service center is located at 719 J Street.	\$120,000	CDBG
<b>HOPWA: STRMU, Case Management, Housing, Supportive Services &amp; Administration</b>	\$873,732	HOPWA

**HOPWA - Short-Term Rent Mortgage & Utilities (STRMU):** Provides for short-term emergency housing assistance for persons with HIV/AIDS in the City and County of Sacramento.

HOPWA

**HOPWA - Emergency Shelter (Open Arms):** An emergency shelter for homeless individuals with HIV/AIDS. Individuals are eligible for 90 days of emergency shelter including a thorough needs assessment, intensive case management services, advocacy in securing mainstream services, life skills and health education, meals, limited transportation and assistance in securing housing within the continuum of care including permanent housing.

HOPWA

**HOPWA - Permanent Housing (Colonia San Martin):** Provides permanent housing with supportive services for persons with HIV/AIDS and mental disabilities in a community setting with 40 units – 25 one bedroom units, 12 two bedroom units and 3 three bedroom units. Also provides weekly supportive services and educational and social activities for all the residents (60 units).

HOPWA

**HOPWA - Case Management:** Provides intensive case management to 30 individuals participating in the Shelter Plus Care program and 30 individuals who live in other housing, who may be single or a member of a family, and are formerly homeless persons living with HIV/AIDS.

HOPWA

**HOPWA - Permanent Housing (Southside House):** This community is 9 room Victorian home for mental health consumers who are diagnosed with AIDS or HIV+ and are homeless or at risk of homelessness. This is a permanent housing option and it offers supportive staff member to assist clients in refining and developing the skills and setting goals necessary to attain independence in the community.

HOPWA

**HOPWA - Short-Term Rent Mortgage & Utilities - Placer County (STRMU):** Provides for short-term emergency housing assistance for persons with HIV/AIDS living in Placer County.

HOPWA

**HOPWA - Short-Term Rent Mortgage & Utilities - El Dorado County (STRMU):** Provides for short-term emergency housing assistance for persons with HIV/AIDS living in El Dorado County.

HOPWA

**HOPWA - Short-Term Rent Mortgage & Utilities - Yolo County (STRMU)** Provides for short-term emergency housing assistance for persons with HIV/AIDS living in Yolo County.

HOPWA

**HOPWA - Permanent Housing (Steven Place, Hidden Cove, & Cornerstone):** Stevens Place covers 30 units of housing: 15 at Stevens Place, 9 at Hidden Cove and 6 at Cornerstone. There is also 1 resident manager unit at Stevens Place, the manager provides coverage at all three locations. Case management is provided at all three locations.

HOPWA

**Total Public Services**

**\$1,902,402**

## HUD LOAN REPAYMENTS

The following debt service payments for HUD Section 108 loans and internal SHRA loans for commercial revitalization, job creation, and infrastructure development.

<b>Section 108 Loan Repayment :</b> Annual debt service payment on Section 108 loan funds. If program income is utilized towards the debt service payment then unused entitlement funds will be utilized towards project costs.	<b>\$350,686</b>	CDBG
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## GRANT PLANNING AND ADMINISTRATION

The following are related to immediate/intermediate term CDBG program planning, community participation and general program administration. For CDBG, HUD limits funding for planning and administration to 20 percent of the total amount of entitlement and program income. For HOME, the limit is 10 percent.

<b>Homeless Activities:</b> Administrative services for the implementation of Homeless activities in 2013.	\$45,257	CDBG
<b>ESG Program Administration:</b> Administrative services for the implementation of ESG-funded activities in 2013.	\$45,269	ESG
<b>HOME Program Administration:</b> Administrative services for the implementation of HOME-funded activities in 2013.	\$185,453	HOME
<b>HOPWA Program Administration:</b> Administrative services for the implementation of HOPWA-funded activities in 2013.	\$27,023	HOPWA
<b>CNI Marina Vista:</b> Funds will be used to undertake community outreach and necessary supportive services to carryout the required activities for the CNI planning grant in preparation of applying for the CNI implementation grant.	\$200,000	CDBG
<b>CDBG Planning and Administration:</b> Administrative & Planning services for CDBG programs in 2013.	\$593,327	CDBG
<b>Total Grant Planning and Administration:</b>	<b>\$1,096,329</b>	

## CDBG CAPITAL RESERVE

<b>Capital Reserve:</b> Reserve account for overruns in capital improvement activities and to fund budgeted activities in 2013 if CDBG entitlement is less than anticipated. The reserve is also available to cover unanticipated project and program costs to bring an activity to completion. The full amount of the reserve is available to ensure the timely completion of the activities.	<b>\$423,131</b>	CDBG
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**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, 2012 to comply with federal regulations governing the timely expenditure of funds.

<b>CDBG</b>		
<b>Recommendation</b>	<b>Amount</b>	<b>Fund</b>
<b>Capital Reserve:</b> Fund reserve account for overruns in capital improvement activities and to fund budgeted activities in 2012 if CDBG entitlement is less than anticipated. Funds to be transferred to FOCIS Housing Inspection Program.	\$100,000	CDBG
<b>Total</b>	<b>\$100,000</b>	

**City of Sacramento  
Amendment to 2012 Action Plan and Substantial Amendment Activities**

This report formally amends the 2012 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.

<b>CDBG</b>		
<b>Recommendation</b>	<b>Amount</b>	<b>Fund</b>
<b>FOCIS Program:</b> Additional funds will be used for City building inspectors for an 18-month pilot program to operate a geographically focused single-family inspection strategy addressing problem properties in the targeted area.	\$100,000	CDBG
<b>Total</b>	<b>\$100,000</b>	

**City of Sacramento  
Environmental Determination**

**Supportive Services (no physical impact) - NEPA per 24 CFR Section 58.35(b)(2) and CEQA per Guidelines Section 15061 (b)(3):**

The Action Plan includes funding for services and staff for the following programs, which will have no physical impact on the environment. These are considered supportive services and are categorically excluded under NEPA. These programs are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. **Environmental Review is complete for these activities; no further environmental review is required.**

- Emergency Solutions Grant Program (ESG)
- Homeless Activities
- Senior Nutrition Program
- Downtown SRO Supportive Services
- Housing Programs Delivery
- HOPWA - Volunteers of America – Open Arms
- HOPWA - AIDS Housing Alliance – Saint Martin De Porras
- HOPWA - AIDS Housing Alliance – Steven Place
- HOPWA - Center for AIDS Research, Education and Services (CARES)
- HOPWA – Transitional Living and Community Support (TLCS)
- HOPWA – CommuniCare Health Clinics – Emergency Housing Assistance
- HOPWA - Placer County – Emergency Housing Assistance
- HOPWA - El Dorado County – Emergency Housing Assistance

**Operating Costs (staff costs) - NEPA per 24 CFR Section 58.35 (b)(3) and CEQA per Guidelines Section 15378 (b)(2):**

The Action Plan includes funding for staffing only for the following programs, which will have no physical impact on the environment. Staffing costs are considered operating costs and are categorically excluded under NEPA. Costs for staffing are not considered a project under CEQA. **Environmental Review is complete for these activities; no further environmental review is required.**

- Community Development Block Grant Administration
- ESG Administration
- HOPWA Administration
- Minor Repair & ADA for Seniors and Low Income Homeowners Program Administration
- HOME Administration
- Public Improvement Delivery
- Section 108 Custodial Accounts
- Section 108 Loan Repayment - Del Paso Nuevo

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

The Action Plan includes funding for planning and feasibility studies only, which may include funding for environmental planning, for the following programs. These actions are considered environmental and other studies, resource identification and the development of plans and strategies, and are exempt under NEPA. As feasibility and planning studies only, with no legally binding effect on later activities, these activities are also exempt under CEQA. **Environmental Review is complete for the feasibility and planning studies associated with these programs only; if these studies identify specific projects, further environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.**

- Community Development Block Grant Planning and Scoping
- CNI Marina Vista
- 12<sup>th</sup> Street Streetscape Engineering Design
- Richards Boulevard Streetscape and Pedestrian Engineering Design
- R Street Phase III Design
- D Street & 16<sup>th</sup> Street Traffic Signal Design
- Capital Improvement Project Scoping

**Financial Assistance for Acquisition and/or Rehabilitation of Existing Structures - NEPA per 24 CFR 58.35 (a)(3) and (a)(5) and CEQA per Guidelines Section 15301:**

The Action Plan includes funding for acquisition of land or properties, and/or rehabilitation of existing structures for the following programs. Both acquisition and rehabilitation of existing structures are categorically excluded under NEPA, assuming that the requirements of 24 CFR 58.35 (a) are met. These activities are also categorically exempt under CEQA. **Environmental Review is complete for these programs; however, as individual properties are identified for acquisition and/or rehabilitation, additional review shall be performed to complete NEPA requirements. Additional review may also be required if site specific rehabilitation, as it is further identified, allows for changes in use or capacity.**

- Multi-Family Acquisition and Rehabilitation Program
- Affordable Housing Rehabilitation Program
- Single-Family Rehabilitation Loan Program

**Rehabilitation/Reconstruction of Existing Public Facilities - NEPA per 24 CFR 58.35 (a)(1) and CEQA per Guidelines Section 15301(c) and 15304(b):**

The Action Plan includes funding for rehabilitation of existing public facilities within existing right of way under the following programs. Rehabilitation and reconstruction of existing public facilities and improvements are categorically excluded under NEPA, assuming that the requirements of 24 CFR 58.35 (a) are met. These activities are also categorically exempt under CEQA. **Environmental Review is complete for these programs; however, as individual improvements are identified, additional review will be needed**

to complete NEPA requirements. Additional review may also be required if identified improvements allow for changes in use or capacity.

- R Street Phase II

**The remaining programs and actions included in the 2012 Action Plan have program specific environmental review as described below:**

- **Emergency Repair Program/Accessibility Grant Program** – This program includes: an emergency repair component, which will be limited to repair and improvements to existing structures to control threats to public safety; and, an accessibility improvements component, which will remove barriers that restrict mobility of and accessibility by elderly and disabled persons. The emergency repairs component is exempt under NEPA pursuant to 24 CFR 58.34 (a)(10), and categorically exempt pursuant to CEQA Guidelines Section 15301. The accessibility component is categorically excluded under NEPA pursuant to 24 CFR 58.35 (a)(2), and categorically exempt pursuant to CEQA Guidelines Section 15301. **Environmental Review is complete for the emergency repair component of this program; no further environmental review is required. As individual properties are identified for the accessibility component, additional review will be needed to complete NEPA requirements.**
- **First-Time Homebuyer Assistance Program** – This program consists of financial assistance to aid first-time homebuyers in purchasing existing dwelling units. These activities are categorically excluded under NEPA pursuant to 24 CFR 58.35 (b) (5) and categorically exempt pursuant to CEQA Guidelines Section 15310. **Environmental Review is complete for this program; no further environmental review is required.**
- **Multi-Family Housing New Construction** – This program consists of financial assistance for the construction of new multi-family housing projects. The actions included in this 2011 Action Plan do not include any funding commitments or approvals for any specific project. **Environmental Review will be required for individual projects as they are identified and will be completed prior to any choice limiting action or discretionary action.**

MASTER PROJECT AGREEMENT FOR CDBG FUNDING FOR  
PROJECTS AND SERVICES IN SUPPORT OF COMMUNITY  
DEVELOPMENT AND AFFORDABLE HOUSING PROGRAMS IN THE  
CITY OF SACRAMENTO

This MASTER PROJECT AGREEMENT ("Agreement") is made and entered into as of January 8, 2013, ("Effective Date") by and between the CITY OF SACRAMENTO ("CITY") a municipal corporation, the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY ("SHRA"), a joint powers authority.

Recitals

- A. The CITY and SHRA have been working together for 30 years to redevelop various neighborhoods in the City of Sacramento into vibrant, retail, commercial and residential communities.
- B. Since July 12, 1983, SHRA has managed the CITY's Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with Aids (HOPWA) programs funded by the US Department of Housing and Community Development (HUD). SHRA's administrative services for managing these HUD grant programs on behalf of CITY is funded with the administrative allowance authorized by HUD.
- C. Previously, the Redevelopment Agency of the City of Sacramento (RDA) was designated to perform the HUD grant draw function on behalf of CITY. The RDA was dissolved by statute (AB 1x 26) as of February 1, 2012. HUD requires a local government unit to perform grant draws and the City Council has designated the Housing Authority of the City of Sacramento ("Authority", a constituent entity of SHRA,) to perform that function for CITY.
- D. HUD has established a new regulation, Homeless Emergency and Rapid Transition to Housing (HEARTH). The City Council has taken action to authorize the Authority to administer the HEARTH regulation on behalf of CITY.
- E. Each year, CITY approves the Action Plan and every five years CITY approves the Consolidated Plan regarding the expenditure of HUD grant funds for all of foregoing HUD programs. From time to time, CITY provides services to the SHRA or the SHRA provides services to the CITY, and undertakes projects which are funded with CDBG grants as set forth in Action Plans as approved by the City Council and the appropriate governing board for SHRA.
- F. The purpose of this Agreement is to authorize the City Manager and the SHRA Executive Director to execute Individual Project Agreements ("IPA") for specific services or improvement projects to be undertaken by SHRA or CITY funded with CDBG grants as set forth in the Action Plans.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual commitments as hereinafter set forth, CITY and SHRA enter into this Agreement for the purpose of establishing each party's rights and obligations with regard to the expenditure of CDBG funds allocated to CITY follows:

1. The services and improvement projects to be performed shall be secured through Individual Project Agreements (IPA) executed by the City Manager on behalf of the CITY and the Executive Director on behalf of SHRA. IPAs may only be executed if the cost to cover such services has been provided for in the SHRA budget. IPAs for CITY improvement projects must be included in the CITY's adopted Capital Improvement Program or otherwise approved by the City Council if such approval is required under the City Code. All services and improvement projects under an IPA must be included in an approved Action Plan.
2. Each IPA shall include, at a minimum, the following items:
  - (a) a specific description of the services to be provided or a scope of work for the project to be completed;
  - (b) the time for performance and termination rights;
  - (c) the amount of compensation;
  - (d) the source of the compensation (or budget item reference);
  - (e) the schedule for payments, if applicable;
  - (f) the department responsible for the provision of services or implementation of the project; and
  - (g) mutual indemnity provisions.
3. Any IPA for either the provision of services or implementation of the project shall be issued only in compliance with all applicable federal, state and local laws, funding source requirements, and the adopted policies of the parties.
4. Each IPA shall become legally binding upon execution of the CITY Manager and the SHRA Executive Director. No prior review shall be required by the City Council or the Sacramento Housing and Redevelopment Commission.
5. This Agreement supersedes City Agreement No. 2001- 224.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CITY OF SACRAMENTO

SACRAMENTO HOUSING AND  
REDEVELOPMENT AGENCY

\_\_\_\_\_  
John F. Shirey, City Manager

\_\_\_\_\_  
LaShelle Dozier, Executive Director

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
Senior Deputy City Attorney

\_\_\_\_\_  
Agency Counsel

ATTEST:

ATTEST:

\_\_\_\_\_  
Assistant City Clerk

\_\_\_\_\_  
Agency Clerk

**Table of Contents**

- Exhibit A 2013-17 Consolidated Plan Executive Summary
- Exhibit B 2013 Action Plan Activities
- Exhibit C Project and Program Defunding
- Exhibit D Various Years' One-Year Action Plan Activities
- Exhibit E Environmental Determination
- Exhibit F Revised Memorandum of Understanding

Adopted by the City of Sacramento City Council on January 8, 2013 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, Hansen, McCarty, Pannell, Schenirer, Warren, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Vice Mayor Angelique Ashby

Attest:



Shirley Concolino  
Shirley Concolino, City Clerk