Meeting Date: **8/25/2015**

Report Type: Staff/Discussion

Report ID: 2015-00673

City of SACRAMENTO 21

City Council Report
915 I Street, 1st Floor
www.CityofSacramento.org

Title: 2013-2017 Consolidated Plan Substantial Amendment to include Housing Initiative, Promise Zone, and Neighborhood Priority Areas

Location: Citywide

Recommendation: Pass a Resolution adopting the 2013-2017 Consolidated Plan Substantial Amendment and authorizing submittal to the United States Department of Housing and Urban Development

Contact: Geoffrey Ross, Program Manager, (916) 440-1393, Sacramento Housing and Redevelopment Agency

Presenter: Geoffrey Ross, Program Manager, (916) 440-1393, Sacramento Housing and Redevelopment Agency

Department: Sacramento Housing & Redevelopment Agency

Division: Sacramento Housing & Redevelopment Agency

Dept ID: 99991011

Attachments:

1-Description/Analysis

2-Background

3-Resolution

4-Exhibit A (City Consolidated Plan Target Areas Map)

City Attorney Review

Approved as to Form
Sheryl Patterson
8/18/2015 4:54:59 PM

Approvals/Acknowledgements

Department Director or Designee: LaShelle Dozier - 8/6/2015 4:32:00 PM

Description/Analysis

Issue: This report recommends approval of a Substantial Amendment to the 2013-2017 Consolidated Plan to add the new Downtown Housing Initiative, Neighborhood Priority Areas, and the Promise Zone, thereby updating the Consolidated Plan, and requests authorization to submit the amended plan to HUD. The Consolidated Plan is a five-year planning document covering the 2013-17 period (approved by City Council Resolution No. 2013-0010 and Housing Authority Resolution No. 2013-0001). The Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy to meet those needs. The Downtown Housing Initiative, Neighborhood Priority Areas and Promise Zone areas encompass neighborhoods that have demonstrated need, but also have the capacity for positive neighborhood change due to historic and current levels of investment and community engagement and will serve as the 2013-17 Consolidated Plan Target Areas. A map of the specific target areas is included as Exhibit A. The target areas will be used to help guide Community Development Block Grant (CDBG) public facility and infrastructure investments.

Policy Considerations: The proposed Substantial Amendment to the Consolidated Plan is to update the Target Areas to be reflective of the Downtown Housing Initiative, the City of Sacramento's Neighborhood Priority Areas, and the Promise Zone Initiative. The goals and objectives are consistent with the adopted Consolidated Plan and include assisting low- and moderate-income persons and areas with the following: community services, housing, homeless facilities and services, public improvements and facilities, economic development, and planning activities.

Economic Impacts: Not applicable.

Environmental Considerations: The proposed actions are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3) and (4).

Sustainability Considerations: The Consolidated Plan is consistent with the City's Sustainability Master Plan's Focus Area 5 – Public Health and Nutrition by improving residents' health, and providing a five-year planning document to improve health, nutrition, social, and economic sustainability.

Commission Action: On August 5, 2015, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Alcalay, Creswell, Griffin, Johnson, Morgan, Raab, Rios

NOS: none

ABSENT: Macedo, Painter

ABSTAIN: none

Rationale for Recommendation: When a substantial amendment to the Consolidated Plan and/or One-Year Action Plan is proposed to carry out a new activity or program not previously described (purpose, scope, location, and beneficiary), the Citizen Participation Plan (24 CFR Part 570.43), which is adopted at the same time as the original Consolidated Plan, requires the formal notice of a public hearing and citizen comment period per 24 CFR 91.105 and 505(b). The noticed public hearing was held by the SHRA Commission on August 5, 2015.

Financial Considerations: The Consolidated Plan Substantial Amendment is an administrative action and no additional funds are requested.

M/WBE/Local Business Enterprise (LBE), Section 3 and First Source Considerations: The Consolidated Plan Substantial Amendment recommended in this staff report is administrative; therefore there are no M/WBE or Section 3 requirements. The First Source Program is not applicable to this report. City LBE will be applied to applicable activities to the extent required by City policies.

Background

2013-2017 Consolidated Plan Substantial Amendment

In the Mayor's 2015 State of the City address, a new housing initiative was proposed for Downtown Sacramento. The Mayor proposed a goal of developing 10,000 places to live in the Downtown Sacramento area within the next ten years. The goal builds upon the momentum taking place in Downtown Sacramento and is based on four key elements: 1) Transit-Oriented Development that links transportation to housing and jobs; 2) Housing Conversion that repurposes vacant and blighted buildings; 3) Smart Housing that integrates seamless cutting-edge technology with flexible live/work environments; and 4) Rapid Re-housing focusing on off-street solutions for homeless individuals.

During the 2015 City Council budget development workshops, the City Council asked that "Priority Neighborhoods" be defined. In addressing this request staff developed a priority neighborhoods map that reflects communities challenged with business attraction/retention, poverty, unemployment, and declining property values. Neighborhoods with both high levels of serious crime and poverty have been identified as Priority Neighborhoods.

In the 2015 State of the Union Address, the President laid out an initiative to designate a number of high-poverty urban, rural, and tribal communities as Promise Zones, where the federal government will partner with and invest in communities to accomplish the following goals: Create jobs, leverage private investment, increase economic activity, expand educational opportunities, and reduce violent crime.

On April 28, 2015, HUD announced Sacramento as one of the communities to receive a Promise Zone designation. The Promise Zone includes eight Property and Business Improvement Districts (PBIDs), one Implementation Grant Finalist community and one Choice Neighborhoods Initiative (CNI) Planning Grant community, and a myriad of diverse and eclectic neighborhoods each with its own unique identity. SHRA in partnership with key partners will work to coordinate resources, build capacity and create public-private partnerships to drive area revitalization. The partners have adopted the following five goals to improve the quality of life and accelerate revitalization: 1) create jobs; 2) increase economic activity; 3) improve educational opportunities; 4) improve health and wellness; and 5) facilitate neighborhood revitalization.

The above referenced actions have been integrated and incorporated into the 2013-2017 Consolidated Plan Target Areas: 1) the Downtown Housing Initiative, 2) the City of Sacramento's Priority Areas, and 3) the Promise Zone Initiative. The revised Target Areas reflective of these initiatives can be seen on Exhibit A – Consolidated Plan Target Areas. The target areas will be used to help guide CDBG public facility and infrastructure investments.

RESOLUTION NO. 2015 -

Adopted by the Sacramento City Council

On date of

APPROVAL AND AUTHORIZATION TO SUBMIT THE 2013–2017 CONSOLIDATED PLAN SUBSTANTIAL AMENDMENT

A. The U.S. Department of Housing and Urban Development (HUD) requires the adoption of a Five-Year Consolidated Plan to identify the programs and projects identified for expenditure of federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Housing Opportunities for Persons with AIDS/HIV (HOPWA), and Emergency Solutions Grant (ESG) funds.

B. Since 1982, the Sacramento Housing and Redevelopment Agency (SHRA), on behalf of the City of Sacramento, has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated asthe public entity to administer HOME, HOPWA, and ESG funding originating from HUD.

C. On January 8, 2013, the 2013-2017 Consolidated Plan was adopted by City Council Resolution No. 2013-0001 and Housing Authority Resolution No. 2013-0010.

D. In the 2013 State of the Union Address, the President laid out an initiative to designate a number of high-poverty urban, rural, and tribal communities as Promise Zones, where the federal government will partner with and invest in communities to accomplish the following goals: create jobs, leverage private investment, increase economic activity, expand educational opportunities, and reduce violent crime.

E. On April 28, 2015, HUD announced that Sacramento had been selected as one of the communities to receive the Promise Zone designation.

F. In the Mayor's 2015 State of the City Address, a new Housing Initiative was proposed for Downtown Sacramento. The Mayor proposed the goal of developing 10,000 places to live in the Downtown Sacramento area within the next ten years. The goal builds upon the momentum taking place in Downtown Sacramento and is based on four key elements: 1) Transit-Oriented Development that links transportation to housing and jobs; 2) Housing Conversion that repurposes vacant and blighted buildings; 3) Smart Housing that integrates seamless cutting-edge technology with flexible live/work environments; and 4) Rapid Re-housing focusing on off-street solutions for homeless individuals.

G. On May 19, 2015, the City Council approved Resolution No. 2015-0484 to designate 18 city neighborhoods as Priority Areas.

H. The Consolidated Plan is proposed to be amended to add the Housing Initiative, Promise Zone and Priority Areas as part of the Consolidated Plan Target Zones.

I. The proposed actions are considered administrative and management activities. As such, these actions do not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). These actions are also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3) and (a)(4).

J. A duly noticed public hearing regarding the Consolidated Plan Substantial Amendment was held before the Sacramento Housing and Redevelopment Commission on August 5, 2015.

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

Section 1. The above recitals, including the environmental recitals, are found to be true and correct.

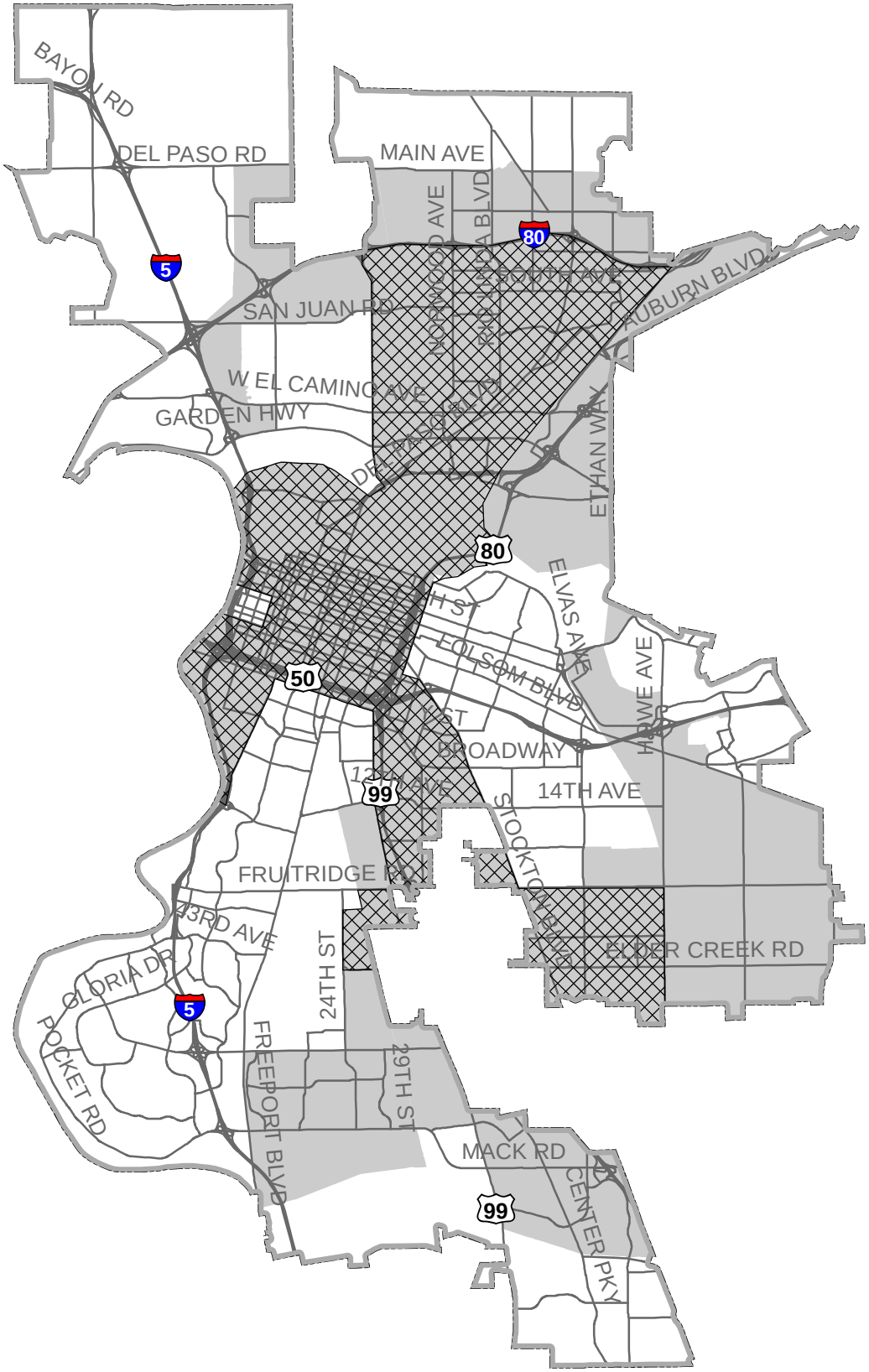
Section 2. The 2013-2017 Consolidated Plan Substantial Amendment to establish Consolidated Plan target areas as outlined in Exhibit A is hereby approved.

Section 3. SHRA is authorized to submit the 2013-2017 Consolidated Plan Substantial Amendment to HUD.

Table of Contents:

Exhibit A: Consolidated Plan Substantial Amendment - Target Areas Map

Consolidated Plan Target Areas Map



City of Sacramento

ACH LowMod Census Tract

CDBG Priority Area

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SHRA GIS
July 20, 2015