

Meeting Date: 10/27/2015

Report Type: Consent

Report ID: 2015-00849

Title: (City Council/Housing Authority) Approval of the 2016 One Year Action Plan for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) Funded projects and programs; Amendment of prior year action plans; Amendment of the Sacramento Housing and Redevelopment Agency Budget; and Related Actions and Findings

Location: Citywide

Recommendation: Pass 1) a City Council Resolution a) adopting amendments to prior One Year Action plans, b) adopting the 2016 One Year Action Plan to allocate CDBG, HOME, ESG and HOPWA funds, c) authorizing SHRA to amend its budget to accept the funds for programs and projects and amend the capital reserve budgets if the HUD grant award is less than or greater than anticipated, d) authorizing SHRA to amend its budget to allocate NSP proceeds to the PRE program, e) authorizing SHRA to act as agent on behalf of the City to submit the amendment of prior One Year Action Plans and the 2016 One Year Action Plan and to execute the grant agreement with HUD and subsequent agreements with entities to carry out projects and programs f) authorizing amending the Citizen Participation Plan, g) adopting SHRA's 2016 Multi family lending application schedule, h) declaring the 521 T street property as surplus and nonessential to the HOPWA program, i) authorizing the City Manager to execute agreements with SHRA to carry out activities in the action plan, j) authorizing SHRA to issue a CDBG NOFA and to execute related contracts, k) authorizing SHRA to make budget adjustments and to execute related documents to carry out activities described in the action plan, l) authorizing SHRA to solicit competitive bids and award contracts for environmental, remediation and legal consulting services related to projects outlined in the Action Plan, and m) authorizing SHRA to transfer \$179,522 of City HOME single family rehabilitation RLF to the City HOME Multi- Family program and to amend the budget accordingly; 2) a City Council Resolution authorizing SHRA to transfer \$94,000 in Supplemental Annual administrative fees to the Meals on Wheels program; and 3) a Housing Authority Resolution authorizing SHRA to accept \$100,000 for a Car Sharing Grant, execute agreements and amend its budget accordingly.

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:

- 01-Description/Analysis
- 02-Background
- 03-City Council Resolution (Supplemental Admin Fee)
- 04-City Council Resolution (2016 Action Plan)
- 05-Defunding Projects and Programs
- 06-2016 City One-Year Action Plan Activities
- 07-Environmental Determination
- 08-SHRA 2016 Multi-Family Loan and Mortgage Revenue Bond Application
- 09-City and County of Sacramento Citizen Participation Plan
- 10-Housing Authority Resolution (Car Sharing Grant)

City Attorney Review

Approved as to Form
Sheryl Patterson
10/14/2015 12:14:30 PM

SHRA Counsel Review

Approved as to Form
David Levin
10/9/2015 9:40:25 AM

Approvals/Acknowledgements

Department Director or Designee: LaShelle Dozier - 10/9/2015 9:40:25 AM

Description/Analysis

Issue: This report recommends approval of the 2016 One-Year Action Plan provided as Attachment 6, thereby updating the Consolidated Plan, and requests authorization to submit the plan to HUD and to award contracts and agreements to implement the Action Plan. The Consolidated Plan is a five-year planning document covering the 2013-17 period, which was approved by the City Council by Resolution No. 2013-0010 and by the Housing Authority by 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 2016 One-Year Action Plan specifically addresses the following federally funded housing and community development programs: CDBG, HOME, ESG and HOPWA. Staff anticipates that grant funding under the 2016 federal budget will be held constant at 2015 funding levels. In addition, amendment of prior One Year Action Plans is proposed to defund programs as set forth in Attachment 5.

This report also recommends approval of the following actions: 1) the amended Citizen Participation Plan to be a joint plan of the City and County of Sacramento consistent with the Consolidated Plan and to add the definition for Affirmatively Further Fair Housing to replace the Analysis of Impediments to Fair Housing Choice as set forth in Attachment 9; 2) the adoption of a revised 2016 Multi-Family Lending and Mortgage Revenue Bond Policies Program Application Guideline schedule as set forth in Attachment 8; 3) the allocation of \$94,000 in Supplemental Annual Administrative Fees to the Meals on Wheels by Asian Community Center (ACC) program to serve senior housing residents in low income housing developments; 4) authorizing SHRA to accept \$100,000 of the \$1.1 million grant for the Car Sharing grant program, execute agreements and amend its budget accordingly; 5) the allocation of Neighborhood Stabilization Program 1 and 3 proceeds to the Purchase and Resale Entity (PRE) program; 6) authorizing TLSC, Inc. to sell 521 T Street because it is no longer needed for the HOPWA program; and 7) authorizing the transfer of \$179,522.01 in City HOME Single-Family Rehabilitation Revolving Loan (RLF) to the City HOME Multi-Family Program Income fund. Background information on these items is included in Attachment 2.

Policy Considerations: The proposed appropriation of funds for new and existing activities is consistent with the goals and objectives outlined in the adopted Consolidated Plan. The Consolidated Plan goals 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:

California Environmental Quality Act (CEQA)/National Environmental Policy Act (NEPA):

Commitment of funding for new projects that could result in a direct or indirect physical change to the environment is subject to environmental review under CEQA if implementation of the projects is authorized as part of the budgeting process. All new federally funded projects are subject to environmental review under the requirements of NEPA and per HUD regulations prior to any commitment of federal funds unless they are exempt from such review. Many of the 2016 One-Year Action Plan new projects are exempt or categorically excluded from environmental review under

CEQA and NEPA. Some of the programs contained in the Action Plan do not include specific projects, or actions on specific properties as these projects and properties have not yet been defined. As projects and properties are identified, additional environmental review under CEQA and/or NEPA will be required prior to any discretionary action or choice limiting action. These projects cannot be approved until further environmental review is completed. Attachment 6 and 7 contain specific information regarding CEQA and NEPA reviews and findings for specific projects.

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 October 7, 2015, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Griffin, Macedo, Morgan, Painter, Staajabu

NOES: none

ABSENT: Alcalay, Johnson, Raab

ABSTAIN: Creswell, Rios

Rationale for Recommendation: As a condition of the receipt of various federal grants provided through HUD, the regulations require the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the upcoming year based on the goals and priorities in the Five-Year Consolidated Plan (refer to the Attachments for the list of 2016 recommended activities, projects to be defunded, and various years’ Action Plan amendments). It is recommended that the Citizen Participation Plan (CPP) be merged with the County CPP to align with the Consolidated Plan, which is a regional plan. Also added to the CPP is the definition for Affirmatively Further Fair Housing which is replacing the Analysis of Impediments to Fair Housing Choice.

Financial Considerations: Refer to Attachment 6 for detailed program and project allocations. Proposed activities are based on the following estimated revenues:

Revenue Source	Previous Years Reprogramming	2016 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,335,943	\$4,335,943
CDBG Program Income*	\$0	\$178,436	\$178,436
CDBG Unallocated 2014 Capital Reserve	\$1,150,000	\$0	\$1,150,000
HOME Entitlement	\$0	\$1,601,936	\$1,601,936
HOME Program Income*	\$179,522	\$196,806	\$376,328
NSP Program Income*	\$852,460	\$0	\$852,460
ESG Entitlement	\$0	\$380,592	\$380,592
HOPWA Entitlement	\$0	\$910,220	\$910,220
HOPWA Reprogramming	\$840,000	\$0	\$840,000
Multi-Family Supplement Administrative Fee	\$94,000	\$0	\$94,000
Revenue Subtotal	\$3,115,982	\$7,603,933	\$10,719,915
2016 and Previous Years' Total	\$10,719,915		

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period.

There is \$277,571 CDBG capital reserve budgeted in the 2016 One-Year Action Plan, which is approximately six percent of the 2016 CDBG entitlement. If Congress ultimately approves funding in a lesser amount, the reserve will be used to fund budgeted projects. The actions proposed include authorizing SHRA to obligate the CDBG Capital Reserve to activities described in this Action Plan.

Staff also recommends accepting \$100,000 from the \$1.1 million grant for the targeted Car Sharing and Mobility Options in Disadvantaged Communities Pilot Project (Car Sharing) Grant. SHRA will utilize a portion of the grant for planning, managing, and providing quality control of the construction, installation, maintenance and operation of battery-electric vehicle (BEV) parking/charging stations.

LBE/M/WBE/Section 3 and First Source Considerations: Minority and Women’s Business Enterprise requirements will be applied to all capital improvement projects to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent they may be applicable. Use of the First Source Program will be encouraged by all contractors doing business with SHRA to the maximum extent possible. LBE considerations are not applicable to this report.

Background

Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA) has managed and administered federal housing and community development funds on behalf of the City and County of Sacramento (City and County) and has served as the federal housing and community development staffing entity pursuant to an agreement between the City and County and its housing authorities.

The Joint Powers Authority governance structure allows for a consolidation of staffing which achieves close coordination of housing, community development and public housing functions, provides budget savings for operation and overhead, eliminates duplicate staffing efforts, and provides a competitive advantage when seeking federal and other housing and community development funding opportunities such as Promise Zone, Choice Neighborhoods Initiative Planning and Implementation Grant funding, and brownfields funding from the Environmental Protection Agency. The consolidation of multiple departments from different jurisdictions under the control of one executive director who is directly accountable to the City and the County governing boards is a key element to the success of the governance and legal structure of SHRA. This structure has been recognized on a statewide and national level as a model for multi-jurisdictional cooperation and efficient use of housing and community development funds.

On January 8, 2013 (by City Council Resolution 2013-010 and Housing Authority Resolution 2013-01) SHRA was approved to administer all U.S. Department of Housing and Urban Development Office of Community Planning and Development (HUD CPD) Programs as part of the adoption of the 2013-17 Consolidated Plan. Furthermore, to reflect the administration of the ESG and HOPWA Programs in addition to the administration of the CDBG and HOME Programs, as well as to reflect the dissolution of redevelopment, SHRA was also approved by same resolutions to enter into a revised Memorandum of Agreement (MOA) for the continued administration of HUD CPD funds, and the Housing Authority of the City of Sacramento, staffed by SHRA, was designated as the official recipient of federal funds on behalf of the City of Sacramento.

Consolidated Plan and Action Plan

New activities and the reprogramming of previous years' funds and their use are laid out in the 2016 One Year Action Plan and are based upon 2013-17 Consolidated Plan priorities. The Action Plan's key components are broken down in the following sections.

Citizen Participation Plan (CPP)

This report recommends approval to merge the City CPP and County CPP to align with the Five Year Consolidated Plan. The Consolidated Plan is a regional plan that includes the City of Sacramento and the County of Sacramento. Currently, there are two Citizen Participation Plans that are identical with the exception of the named jurisdictions. Merging the Citizen Participation into one makes it consistent with the Consolidated Plan. Also added to the CPP is the definition for Affirmatively Further Fair Housing which is replacing the Analysis of Impediments to Fair Housing Choice.

Infrastructure

There is a continuing need within the City for public facilities to serve growing populations. Many low- and moderate-income areas in the City are within older neighborhoods that either do not have proper facilities or their existing facilities suffer from heavy use or deferred maintenance leading to disrepair. As identified in the 2013-17 Consolidated Plan, capital improvement funding identified in the Action Plan will be concentrated for maximum leveraging opportunities to provide the greatest impact to the largest number of residents.

Supporting large capital and public facility improvement projects benefiting low and moderate-income areas remains a key component of the CDBG Program. As part of the 2013-17 Consolidated Plan, the targeting of such areas was refined and priority areas were identified. The priority areas represent the intersection of various considerations for effectively targeting funding and maximizing impacts. To the extent a pipeline of projects exists within the priority areas, the program goal is to strategically support such projects. However, where strategic projects exist in broader low- and moderate-income areas and to the extent that capital and public facility funding remains available, area benefit projects outside the priority areas will also be supported.

The proposed 2016 One-Year Action Plan infrastructure and public improvement projects support current City of Sacramento priorities, as well as previous commitments. This report supports projects currently underway throughout the City, and they are located within the priority areas established under the 2013-17 Consolidated Plan. The Action Plan through the use of priority areas recognizes the post-redevelopment reality in California and Sacramento and creates a system by which funds can be focused strategically on fewer, but larger projects in low- and moderate-income neighborhoods. The goal is to create a concentration of efficient activity generating strategic and visible impacts that promote positive changes within the community.

Car Sharing and Mobility Options in Disadvantaged Communities Pilot Project Grant

As a joint applicant with the Sacramento Air Quality Management District, SHRA will be awarded \$100,000 of the \$1.1 million grant for the targeted Car Sharing and Mobility Options In Disadvantaged Communities Pilot Project (Car Sharing) for planning, managing, and providing quality control of the construction, installation, maintenance and operation of battery-electric vehicle (BEV) parking/charging stations.

Housing

The housing activities laid out in the Action Plan seek to support, increase and improve the multi-family housing stock, rehabilitate existing single-family housing and provide housing to low-income individuals. SHRA's ability to respond to increasingly difficult housing issues has been resource constrained in recent years due to reductions in entitlement grants from the federal government and the loss of local tax increment due to the elimination of California redevelopment agencies. As a result, resources from CDBG have been consistently targeted over the Consolidated Planning period towards

housing rehabilitation and in support of housing development. In addition to direct housing assistance, infrastructure improvements along transit corridors in conjunction with housing development and community facilities in designated neighborhoods has been focused on both as a place based and mobility strategy to reduce barriers for low- and moderate-income households. This strategy is part of SHRA's efforts to support equitable Transit-Oriented Development (eTOD) and is proven to lead to increased opportunities for low- and moderate-income residents to live closer to their place of work and enjoy greater interaction with their surrounding community and amenities.

To maximize fair housing choice, affordable housing rehabilitation and new construction are not limited to low- and moderate-income areas and can be developed where it is most appropriate. The guidelines for investing in affordable housing rehabilitation and new construction activities were established as part of separate policies adopted by the City Council, and include the Multi-Family Lending Guidelines.

Multi-Family Lending Application Schedule

This report recommends adoption of SHRA's Multi-Family Loan and Mortgage Revenue Bond 2016 Application Schedule (Attachment 8) for SHRA funded projects. The schedule will allow applicants to apply for funding on certain dates corresponding to the California Tax Credit Allocation Committee (TCAC) and California Debit Limit Allocation Committee (CDLAC) application deadlines.

Neighborhood Stabilization Program (NPS) Proceeds to the Purchase and Resale Entity (PRE) Program

This report recommends allocating proceeds from NSP, which was established to address vacant and blighted properties in targeted neighborhoods, to the PRE Program which is designed to rehabilitate and sell vacant and blighted single-family homes to low-income first time homebuyers. The properties being targeted as part of the PRE are in the same targeted neighborhoods identified under NSP. By combining these two separate programs into a coordinated effort that leverages the resources of both programs for the benefit of the community will directly benefit from the rehabilitation and occupancy by first-time homebuyers of 54 single family homes.

HOME Program

The HOME Program empowers states and localities to design and implement affordable housing strategies to respond to locally determined needs. HOME funds, unlike CDBG, can be used for new construction of housing. Additionally, HOME funds are also used for rehabilitation of existing housing and down payment assistance. The HOME program is at risk in the upcoming 2016 fiscal year; the House of Representatives has proposed a budget that does not fully fund HOME and strips funding away from the National Housing Trust Fund, both legislative vehicles for the funding of the HOME program. Meanwhile, the Senate proposed a devastating 93 percent cut to the program in part due to the two houses of Congress failing to coordinate how to fund and structure the program. In part to these types of disagreements and as a result of entering into a Presidential Election Year, SHRA expects that the federal government

will enact Continuing Resolutions (CR) and not implement the proposed drastic reduction. For 2016 HOME allocation, based on previous experience when operating under a CR, SHRA anticipates a 10 percent reduction from \$1,779,928 to \$1,601,935. Proposed HOME funded activities are listed in Attachment 6.

Fair Housing

On behalf of the City and County of Sacramento and under the regulatory direction of the U.S. Dept. of Housing and Urban Development (HUD), SHRA has a responsibility to affirmatively further fair housing within the jurisdictions covered by its programs. SHRA's programs include the City of Sacramento, as well as in the unincorporated County of Sacramento and the Cities of Citrus Heights, Folsom, Isleton, and Galt. The Cities of Elk Grove and Rancho Cordova are not included because they receive their own CDBG and HOME entitlements. SHRA strives, through the implementation of its programs and outreach efforts, to ensure fair housing choice and to reduce housing discrimination in the rental, sales and lending of housing on the basis of race, sex, color, religion, national origin, familial status, gender identity, or disability, in compliance with the Fair Housing Act.

Since the dissolution of the Human Rights/Fair Housing Commission in the summer of 2014, SHRA and the City and County of Sacramento staff have worked collaboratively to reconstitute a comprehensive and coordinated fair housing program to be operated in both the City and County of Sacramento. The culmination of these efforts resulted in SHRA executing new contracts in August of 2015 with Sacramento Self-Help Housing (SSHH) and Legal Services of Northern California (LSNC) to provide Fair Housing services in the City of Sacramento and unincorporated County of Sacramento.

SSHH services include intake through the renter hotline, initial assessment, immediate consultation/referral/mediation, second level mediation with California's Department of Fair Employment and Housing (DFEH), data collection and case building. In addition, SSHH has a sub-contract with Project Sentinel to provide an onsite attorney at SSHH to address fair housing intake immediately as part of the renter hotline.

LSNC will support referrals from SSHH and pursue five to six litigation cases annually. In addition, in particularly egregious instances, LSNC will refer and coordinate with DFEH and HUD's Office of Fair Housing and Equal Opportunity (FHEO). Furthermore, the Rental Housing Association (RNA) has agreed to increase education and outreach to property owners. As a result, LSNC will provide fair housing services covering education, training, outreach, and marketing, as well as, supporting SSHH's renter hotline. LSNC will also provide implicit bias training; and investigation, testing and litigation.

Over the upcoming year, SHRA will continue to coordinate with the surrounding cities and Sacramento County staff on fair housing activities to further develop a coordinated regional approach to ensure fair housing choice for all residents.

Affirmatively Furthering Fair Housing (AFFH) Final Rule

AFFH is an updated rule that requires federal agencies and grantees to further the purposes of the Fair Housing Act. HUD's final rule provides an effective planning approach to aid program participants in taking meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination by addressing both place-based and mobility strategies.

The AFFH final rule responds to recommendations of the Government Accountability Office (GAO) and stakeholders for HUD to enhance its fair housing planning obligations by providing greater clarity and support to jurisdictions receiving HUD funding, and facilitating local decision-making on fair housing priorities and goals through an Assessment of Fair Housing (AFH). The final rule identifies the following four housing issues that must be assessed:

1. Patterns of integration and segregation;
2. Racially and ethnically concentrated areas of poverty;
3. Disparities in access to opportunity; and
4. Disproportionate housing needs.

HUD will provide each grantee with data and an AFH assessment tool to use in assessing fair housing issues in its community. In addition, HUD will provide technical assistance to aid in submitting the AFH. SHRA, by using the HUD provided data, local data and knowledge, along with community participation, will develop goals and identify strategies in the AFH. As part of the implementation of the new rule, SHRA will provide annual updates related to the AFH in the Consolidated Annual Performance Evaluation Report (CAPER). It is anticipated that the City and County of Sacramento will be one of the first respondents under the new rule and that the first AFH submission will be due in early 2017. As a result, the first performance measures will be reported in the 2017 CAPER due to HUD by March 31, 2018.

Regional Analysis of Impediments to Fair Housing Choice (AI)

With the new AFH, reporting on the prior AI will be phased out. Until the AFH is submitted, SHRA will update strategies to remove impediments as identified in 2010. In that report, the following impediment was identified:

Impediment: Weak Fair Housing Enforcement by the Human Rights/Fair Housing Commission (Commission).

Update: As mentioned above, in 2014, the Human Rights/Fair Housing Commission Joint Powers Agency (JPA) was dissolved and discontinued providing Fair Housing services due to the withdrawal of several JPA members and limited funding. In its place SHRA, the City of Sacramento and the County of Sacramento have begun to re-establish fair housing services through a central intake under the renter hotline and a partnership between SHRA, the City and County, LSNC, SSHH, RHA, and Project Sentinel.

Homeless Services

SHRA is part of the Continuum of Care Advisory board and is committed to partner with Sacramento Steps Forward (SSF), the lead agency for the Continuum of Care (CoC). As such, SHRA will work with SSF to discuss how best to reach out to homeless persons and how to assess individual needs as part of ongoing coordination efforts.

Homelessness prevention objectives in 2016 include: 1) support efforts to continue the CoC System for homeless through the provision of emergency shelters, transitional housing, and permanent supportive housing services, including housing for the chronically homeless, and 2) provide community and supportive services for low- and moderate-income persons and those with special needs, including the homeless and persons living with HIV/AIDS.

SSF completed its Strategic Action Plan to End Homelessness in our community in December 2014. The strategy is data-driven, results-oriented and based on best practices. The Strategic Action Plan will serve as a road map for local decision-making and priority-setting. In January 2015, SSF launched Common Cents, a street outreach program to move unsheltered homeless veterans and the chronically homeless into permanent housing. The CoC participates in the national Zero 2016 initiative and has committed to ending veteran homelessness by the end of 2015 and chronic homelessness by the end of 2016. Common Cents was the pilot of the Sacramento CoC's coordinated entry system, which uses the Vulnerability Index-Service Prioritization Decision Assistance (VI-SPDAT) to assess vulnerability and needs and identify the best permanent housing type to meet those needs. Coordinated Entry was launched in the CoC in July 2015.

Addressing the emergency shelter and transitional housing needs of homeless persons

Per Sacramento's 2015 Point-in-Time Count, the summary of unduplicated homeless persons by subpopulation characteristics is:

- Chronically Homeless – 466
- Severely Mentally Ill – 581
- Chronic Substance Abuse – 553
- Veterans – 313
- Persons with HIV/AIDS – 37
- Victims of Domestic Violence – 335
- Unaccompanied Youth (Under 18) – 81
- Unaccompanied Transition Age Youth (18-24) – 240

SSF's 2015 Emergency Shelter Bed Inventory reported that there are a total of 665 year round beds (combination of family and adult-only beds) with an additional 235 seasonal beds. CDBG and ESG funding along with funding from the City and County of Sacramento will continue to provide assistance for emergency shelter needs for homeless persons throughout the Sacramento Region (City and County of

Sacramento). As part of implementing the Homeless Emergency and Rapid Transition to Housing Act (HEARTH) in the Sacramento Region, SHRA continues to consult with the CoC on the programs currently receiving ESG funding. Beginning in 2014, and continuing in 2015, SHRA contracted with Volunteers of America (VOA) for the ESG funded Rapid Re-Housing Program and its emergency shelter. It continues to be the goal of the community to align ESG and CoC funding in a seamless and integrated coordinated entry system. SHRA will continue to attend and participate in the CoC committee and sub-committees to launch this effort. Continuing in 2015-16, the Winter Sanctuary will provide an 18-week emergency shelter program, operating from late November through March 31st. It is funded using County funds, private grants and donations to SSF and operated by Capital Christian Center. The program is for adult men and women who do not have any other options during the coldest months of the year. The participants meet nightly at an intake center and are transported to the participating congregation where they are greeted by volunteers. Twenty-five faith-based congregations participate in the program, volunteering to host guests for a few nights to a couple of weeks at a time. The congregations welcome up to 100 guests each night, offering the participants hot meals, sleeping bags, sense of community and a safe place to sleep.

As part of the 2016 Action Plan, CDBG and ESG funding is expected to continue for established programs such as the Comprehensive Alcohol Treatment Center, emergency shelters, rapid re-housing and other actions related to the prevention of homelessness.

HOPWA

521 T Street Disposition

TLCS, Inc. (TLCS) desires to voluntarily sell its 9-unit asset at 521 T Street and end its HOPWA-funded services program. TLCS has fulfilled the obligation period of its stewardship agreement which ended on June 30, 2014. A stewardship agreement is one in which a grantee uses HOPWA funding directly from the U.S. Department of Housing and Community Development (HUD) for new construction, acquisition or substantial rehabilitation and are required to operate their facilities for HOPWA eligible individuals for at least ten years. The original stewardship agreement was between the Sacramento County Department of Human Assistance (DHA) and TLCS using a one-time HOPWA grant from HUD.

Former residents of 521 T Street are HOPWA-eligible individuals, but do not receive HOPWA housing assistance. Since assuming the administration of the HOPWA program from DHA, SHRA has not provided housing assistance or subsidies to these residents, but rather provided funding for maintenance costs and supportive services at the property.

TLCS desires to dispose of the property because they have determined they cannot continue to operate the facility in its current condition and it is not financially feasible to rehabilitate the property. In April 2014, Sperry Van Ness provided TLCS an Opinion of Value of the property ranging between \$610,000 and \$628,000. In July 2014, TLCS

and Anders & Falltrick Architects, with feedback from SHRA construction staff, estimated that rehabilitation of the building would cost between \$752,000 and \$856,000 or approximately \$83,500 and \$ 95,000 per unit, not including possible historical considerations that may affect the cost. Based on this gap, it was determined that it was cost prohibitive to rehabilitate the property. Additionally, substantial rehabilitation would require additional restrictions on the use of the property.

Per HUD's request, the City must declare the property surplus and non-essential to the HOPWA program before disposition can occur. TLCS was required to demonstrate to SHRA and HUD that other housing arrangements could be found for the residents. Based on a request of TLCS acting as advocates for the residents, SHRA agreed to make Shelter Plus Care (SPC) vouchers available for the residents in order for them to be able to move into permanent housing. Based on this option, TLCS then issued notices to the tenants. However, shortly thereafter, the Fair Market Rent calculation that determines the amount of funding the SPC program receives was adjusted downward resulting in a loss of nearly \$300,000. This resulted in termination of current SPC participants and the inability to offer vouchers to the tenants at the T Street property.

SHRA then directed TLCS to work with Volunteers of America (VOA) to assess the needs and eligibility of the tenants for rapid re-housing (RRH) through the Emergency Solutions Grant (ESG) program. All five residents were assessed and approved for the RRH program. Four residents completed the program and found other housing arrangements. Although offered many opportunities to look at new housing, the fifth resident did not comply with the program requirements, was removed from the program, and evicted from the property.

TLCS and SHRA have complied with the Uniform Relocation and Real Property Acquisition Policies Act (URA) 49 CFR Part 24 as it relates to relocation and displacement. There are no applicable regulations or laws that obligated TLCS or SHRA to provide financial assistance to the existing tenants at the time of displacement. This is based on a determination by Overland, Pacific & Cutler, Inc. (OPC) and confirmed by the HUD Relocation Specialist, HUD Region IX, that the URA is not applicable in this scenario for the following reasons:

- TLCS is not applying for, or utilizing, new federal funds
- TLCS is not acquiring, rehabilitating or demolishing the site for a project

TLCS does not have a final disposition plan at this point, but they intend to request formal disposition in the next six months. SHRA has provided technical assistance to TLCS on the proposed disposition since 2014 and will continue to provide guidance on their formal disposition request to HUD. Furthermore, the HOPWA funds previously being received by this property will go to other HOPWA services to assist additional residents participating in the program.

RESOLUTION NO. 2015 -

Adopted by the Sacramento City Council

on date of

AUTHORIZING THE TRANSFER OF SUPPLEMENTAL ANNUAL ADMINISTRATIVE FEES (FEES) FROM MULTIFAMILY LOW-INCOME MORTGAGE REVENUE BOND FINANCED DEVELOPMENTS TO ALLOCATE \$94,000 IN FEES FOR THE MEALS ON WHEELS PROGRAM; AMEND SHRA'S BUDGET; AND ENVIRONMENTAL FINDINGS

BACKGROUND

- A. Multi-family low-income Mortgage Revenue Bonds (Bonds) are issued by the Housing Authority of the City of Sacramento (Housing Authority) to finance low-income housing developments.
- B. The housing development owners file a welfare exemption for property taxes due under Revenue and Taxation Code Section 214. This statute requires that the property tax savings be used by the owner to maintain the affordability of the low-income housing development pursuant to an agreement restricting usage and rents.
- C. Multi-family low-income developments financed by the Housing Authority have regulatory agreements which require that resident services be provided at no cost for the residents.
- D. The regulatory agreements for 28 of these developments also require the owners to pay Supplemental Annual Administrative Fees (Fees) to the Housing Authority as issuer of the Bonds. The Fees are retained by the Housing Authority for affordability and supporting services for the residents of such developments.
- E. Five low-income senior housing developments paying Fees include: Hurley Creek Seniors, Vintage at Natomas, Ping Yuen Apartments, Broadway Senior and Casa De Angelo (Senior Developments).
- F. The City desires to allocate \$94,000 in Fees generated by the Senior Developments in 2014-15 to fund the Meals on Wheels Program by the Asian Community Center (ACC) congregate and café sites to be operated by Meals on Wheels at the Senior Developments in 2015-16 at no cost to the senior residents, thereby maintaining the affordability for the residents living in the Senior Developments.
- G. The proposed action is exempt from environmental review under California Environmental Quality Act (CEQA) per Guideline Section 15061(b)(3), and is not a federal undertaking under the National Environmental Policy Act (NEPA).

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

- Section 1. The facts as presented and set forth in the Background, above, are found to be true and correct.
- Section 2. The transfer of Supplemental Annual Administrative Fees collected in 2014-2015 in the amount of \$94,000 for the Meals on Wheels Program at the Senior Developments in 2015-16, is hereby approved.
- Section 3. SHRA is authorized to make any budget adjustments and execute related documents and agreements as necessary to carry out the Meals on Wheels Program as described in the 2016 Action Plan's Attachment 6 in compliance with applicable federal laws and regulations.

RESOLUTION NO. _____

Adopted by the Sacramento City Council

on date of

APPROVAL AND ADOPTION OF THE 2016 ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME INVESTMENT PARTNERSHIP (HOME), HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA) AND EMERGENCY SOLUTIONS GRANT (ESG) FUNDED PROJECTS AND PROGRAMS; AMENDMENT OF PRIOR ONE YEAR ACTION PLANS; AMENDMENT TO THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY BUDGET; AMENDMENT TO THE CITIZEN PARTICIPATION PLAN; AUTHORIZATION TO REVISE THE MULTI-FAMILY GUIDELINE APPLICATION SCHEDULE; AUTHORIZATION TO ISSUE A CDBG NOTICE OF FUNDING AVAILABILITY AND AUTHORIZATION TO ENTER INTO CONTRACTS; AUTHORIZATION TO ALLOCATE NEIGHBORHOOD STABILIZATION PROGRAM (NSP) PROCEEDS TO THE PURCHASE AND RESALE ENTITY (PRE) PROGRAM; DECLARE 521 T STREET SURPLUS AND NON-ESSENTIAL TO THE HOPWA PROGRAM; AUTHORIZING EXECUTION OF DOCUMENTS FOR THE ADMINISTRATION OF FEDERAL PROGRAMS; ; AUTHORIZING TRANSFER OF CITY HOME SINGLE FAMILY REHABILITATION REVOLVING LOAN FUNDS TO THE MULTI-FAMILY PROGRAM INCOME FUND; EXECUTION OF RELATED DOCUMENTS; AND ENVIRONMENTAL AND OTHER RELATED FINDINGS

BACKGROUND

- A. The U.S. Department of Housing and Urban Development (HUD) requires adoption of a Five-Year Consolidated Plan and an annual Action Plan, consistent with the Consolidated Plan, to identify the programs and projects for expenditure of federal CDBG, HOME, HOPWA and ESG funds.
- B. Since 1982 the Sacramento Housing and Redevelopment Agency (SHRA), on behalf of City, has served as the public entity designated to efficiently administer the CDBG program and was subsequently designated as the public entity to administer HOME, ESG and HOPWA funding originating from HUD.
- C. Community development grants administered directly by the recipient requires SHRA to undertake environmental review of the proposed projects and issue determination on behalf of HUD. 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. SHRA is authorized to submit environmental determinations on the City's behalf and on behalf of non-profit organizations which are sub-grantees.
- D. In 2008, the Neighborhood Stabilization Program 1 (NSP1) was approved by City Council by Resolution 2008-691 and by the Board of Supervisors by Resolution 2008-1024.

- E. In 2011, the Neighborhood Stabilization Program 3 (NSP3) was approved by the City Council by Resolutions 2011-087 (CC), 2011-002 (HACS), 2011-005 (RACS) and by the Board of Supervisors by Resolutions 2011-1026 (BOS), HA-2322 and RA-0921.
- F. The Purchase and Resale Entity (PRE) program was approved in 2014 by the City Council by Resolution 2014-0019.
- G. SHRA proposes to allocate proceeds from the NSP1 and NSP3 programs to the PRE program.
- H. SHRA proposes to make the Citizen Participation Plan a joint plan of the City and County of Sacramento to be consistent with the Consolidated Plan and to add the definition for Affirmatively Further Fair Housing to replace the Analysis of Impediments to Fair Housing Choice.
- I. SHRA proposes to revise and implement the Multi-family Lending and Mortgage Revenue Bond Policies Program Application Schedule to correspond with California Tax Credit Allocation Committee and California Debt Limit Allocation Committee application deadlines.
- J. TLCS, Inc. has determined that it is cost prohibitive to rehabilitate its 521 T Street and wishes to dispose the property. It has been determined that the property is surplus and non-essential to the HOPWA program.
- K. SHRA desires to transfer the remaining balance of \$179,522.01 from the City HOME Single-Family Rehabilitation Revolving Loan (RLF) to the City HOME Multi-Family Program Income fund.
- L. A noticed public hearing soliciting comments on the 2016 One-Year Action Plan was held by the Sacramento Housing and Redevelopment Commission on October 7, 2015.

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

- Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action as stated in Attachment 7 , are approved.
- Section 2. The prior One-Year Action Plans are amendmeed to defund the activities set forth in Attachment 5 and to add the programs and projects set out in Attachment 6.
- Section 3. The 2016 One-Year Action Plan, which allocates anticipated CDBG, HOME, HOPWA and ESG funds to various programs and projects as set out in Attachment 6, is adopted.
- Section 4. SHRA is authorized to amend its budget to allocate the CDBG, HOPWA and ESG funding for programs and projects in accordance with the amendment of the prior One Year Action Plans; allocate the CDBG,

HOME, HOPWA and ESG grant funding for programs and projects as set out in the 2016 One-Year Action Plan; and to amend the CDBG Capital Reserve, HOME, HOPWA and ESG budgets if the HUD award is less or greater than anticipated to the extent necessary to implement and ensure the timely completion of the activities set out in Attachment 6.

- Section 5. SHRA is authorized to amend the NSP1 and NSP3 budgets to allocate proceeds for programs and funding under the PRE program.
- Section 6. SHRA is authorized and delegated authority to act as agent on behalf of the City of Sacramento to submit the amendment of prior Year Action Plans and the 2016 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 programs and projects in accordance with the Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations.
- Section 7. SHRA is authorized to amend the Citizen Participation Plan to make it a joint plan of the City and County of Sacramento and to add the definition for Affirmatively Further Fair Housing to replace the Analysis of Impediments to Fair Housing Choice as set forth in Attachment 9.
- Section 8. SHRA is authorized to adopt the 2016 Multi-Family Lending and Mortgage Revenue Bond Policies Program Application Schedule as set forth in Attachment 8.
- Section 9. The 521 T Street property is declared as surplus and non-essential to the HOPWA program, thereby allowing TLCS, Inc. to sell its property.
- Section 10. The City Manager is authorized to execute agreements with SHRA to carry out the activities contained in the 2016 One-Year Action Plan and amendment to the various prior One Year Action Plans. All such agreements shall be in compliance with applicable federal laws and regulations, in a form approved by SHRA Counsel and City Attorney.
- Section 11. SHRA is authorized to issue a CDBG Notice of Funding Availability (NOFA) for programs and projects as described in Attachment 6, to award grants and execute related contracts and agreements, as approved to form by SHRA Counsel, and to amend its budget accordingly.
- Section 12. SHRA is authorized to make any budget adjustments and execute related documents and agreements as necessary to carry out the federal programs as described in the 2016 Action Plan in compliance with applicable federal laws and regulations.
- Section 13. SHRA is authorized to solicit environmental assessment, remediation and legal consulting competitive bids and proposals and award and execute contracts in accordance with adopted CDBG and Agency Procurement

Policy and Procedures in support of implementing approved CDBG activities.

Section 14. SHRA is authorized to transfer the City HOME Single-Family Rehabilitation Revolving Loan (RLF) remaining balance of \$179,522.01 to the City HOME Multi-Family Program Income fund and amend its budget accordingly.

**City of Sacramento
2016 Action Plan
Proposed Funding Transfers**

Activities being defunded are those that have been suspended or canceled. Newly funded activities are scheduled to be implemented and completed within 18 months to comply with federal regulations governing the timely expenditure of funds. Staff recommends proposed funding transfers be appropriated to activities as described in Attachment 6.

Proposed Funding Transfers	2015 Action Plan Amendment Amount	2016 Action Plan Amount	From
Unallocated 2014 Capital Reserve: Fund reserve account for overruns in capital improvement activities be appropriated for the projects and programs	\$1,150,000	\$0	Unallocated Capital Reserve
HOME Single-Family Rehabilitation Revolving Loan Fund (RLF) balance to be transferred to City HOME Multi-Family Program Income fund to be utilized for future affordable housing projects.	\$179,522.01	\$0	RLF
Total Funding Transfer	\$1,329,522.01	\$0	

City of Sacramento

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, and amendments, are updates to the 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, including geographic locations and proposed accomplishments. Proposed activities address the priority needs and specific objectives of the 2013-17 Consolidated Plan, adopted by the City Council on January 8, 2013.

The Sacramento Housing and Redevelopment Agency (SHRA), as the direct recipient of HUD funding, assumes the responsibility for environmental review, decision-making, and actions under the National Environmental Policy Act (NEPA). SHRA is also the lead agency for Agency initiated projects under the California Environmental Quality Act (CEQA). This Exhibit includes NEPA and CEQA citations as reference unless otherwise indicated. Additional information on environmental review can be found in Attachment 7.

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, Affirmatively Furthering Fair Housing (AFFH) 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.

Proposed activities are based on the following estimated revenues:

Revenue Source	Previous Years Reprogramming	2016 Estimated Revenue	Total
CDBG Entitlement	\$0	\$4,335,943	\$4,335,943
CDBG Program Income*	\$0	\$178,436	\$178,436
CDBG Unallocated 2014 Capital Reserve	\$1,150,000	\$0	\$1,150,000
HOME Entitlement	\$0	\$1,601,936	\$1,601,936
HOME Program Income*	\$179,522	\$196,806	\$376,328
NSP Program Income*	\$852,460	\$0	\$852,460
ESG Entitlement	\$0	\$380,592	\$380,592
HOPWA Entitlement	\$0	\$910,220	\$910,220
HOPWA Reprogramming	\$840,000	\$0	\$840,000
Multi-Family Supplement Administrative Fee	\$94,000	\$0	\$94,000
Revenue Subtotal	\$3,115,982	\$7,603,933	\$10,719,915
2016 and Previous Years' Total	\$10,719,915		

*Program income means gross income received by the grantee or subgrantee directly generated by a grant supported activity, or

The following summarizes proposed activities for 2016 and previous years. Activities are

Funding Category	Previous Years Reprogramming	Proposed 2016 Funding	Total
Infrastructure and Public Improvements	\$575,000	\$2,215,415	\$2,790,415
Housing Development, Preservation and Homeownership	\$2,280,982	\$1,933,649	\$4,214,631
Public Services	\$119,000	\$1,808,742	\$1,927,742
HUD Section 108 Loan Repayments	\$0	\$385,056	\$385,056
Grant Planning and Administration	\$141,000	\$983,500	\$1,124,500
CDBG Capital Reserve	\$0	\$277,571	\$277,571
Funding Subtotal	\$3,115,982	\$7,603,933	\$10,719,915
Proposed Funding Total	\$10,719,915		

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

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
North 16th Streetscape Design Plan: Provides funds for streetscape plan for improved pedestrian walkway, increased safety and aesthetics, new lights and on-street parking. Match for SACOG grant.	\$300,000	\$0	\$300,000	CDBG	03K	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Multi-Site Water Cross-Connection Improvement Project: Irrigation repairs, backflow control, new booster pumps, extend protective fencing at five parks (Valley-Hi, Chuckwagon, Robertson, Freemont, Woodbine)	\$0	\$425,000	\$425,000	CDBG	03J	LMA	Environmental review is underway. See Attachment 7.
Meadowview Streetscape Project: Provides funds for design and construction of street, pedestrian and bicycle improvements between 24th Street and Coral Gables. A center road median with drought resistant landscaping, monument signage and pavement treatments at crosswalks.	\$0	\$300,000	\$300,000	CDBG	03K	LMA	Environmental review is underway, expected to be completed in January 2016.
Valley Hi Safety and Park Improvement Project: Provides funds for sidewalk and picnic area repairs necessary for public safety and ADA accessibility.	\$0	\$275,000	\$275,000	CDBG	03F	LMA	Environmental review is underway. See Attachment 7.
Fourth Street Pedestrian Access Project Planning: Provides funds for planning for improved pedestrian connections and enhancements in the Chinatown neighborhood. Contingent upon SACOG grant award.	\$0	\$300,000	\$300,000	CDBG	03K	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Franklin Boulevard Complete Street: Provides funds to develop a plan to transition Franklin Boulevard between Fruitridge and Sutterville Road to a complete street for all modes of transportation. Contingent upon SACOG grant award.	\$0	\$250,000	\$250,000	CDBG	03K	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Mack Road Pedestrian Lighting: Provides funds to add pedestrian lighting to two blocks on the south side of Mack Road between Valley Hi and Center Parkway. Improved street lighting would serve to enhance public safety under Crime prevention through environmental design (CPTED).	\$125,000	\$225,000	\$350,000	CDBG	03K	LMA	Environmental review is underway. See Attachment 7.
Capital Improvement Project Scoping: Funding for early cost estimates, resource identification, conceptual design, environmental studies and/or the development of plans, strategies and studies 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.	\$0	\$100,000	\$100,000	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15061(b)(3).
Public Facility Notice of Funding Availability (NOFA): SHRA to issue Notice of Funding Availability (NOFA) for CDBG-eligible capital improvements to a public facility located in low- and moderate-income areas.	\$0	\$100,000	\$100,000	CDBG	03E	LMA	Environmental review is complete. See Attachment 7.
Environmental Delivery: Remediation, brownfields, staffing and supportive services for environmental review activities.	\$150,000	\$0	\$150,000	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Edgewater Electric Vehicle Charging Stations: Funding to construct and install battery electric vehicle (BEV) parking/charging stations at the Edgewater Housing Complex located at 630 I Street.	\$0	\$50,000	\$50,000	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.35(a)(3)(iii). CEQA: Exempt per Guidelines Section 15301.
Public Improvements Delivery: Staffing and supportive services for Choice Neighborhoods Initiative, Section 3 related activities, environmental and capital improvement projects in 2016.	\$0	\$190,415	\$190,415	CDBG	03	LMA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Infrastructure and Public Improvements	\$575,000	\$2,215,415	\$2,790,415				

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP
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The following are recommended activities that increase the marketability and livability of neighborhoods

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Multi-Family Housing Acquisition and Rehabilitation: Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family housing. Includes \$840,000 in previously unallocated DHA HOPWA funds.	\$840,000	\$0	\$840,000	HOPWA	NA	NA	Environmental review is complete. See Attachment 7.
	\$500,000	\$0	\$500,000	CDBG	14B	LMH	
	\$720,871	\$720,871	\$720,871	HOME	NA	NA	
	\$179,522	\$88,563	\$268,085	HOME PI	NA	NA	
Subtotal	\$1,519,522	\$809,434	\$2,328,956				
Multi-Family Housing New Construction: Provides loans for the construction of multi-family housing.	\$0	\$720,871	\$720,871	HOME	NA	NA	Environmental review is complete. See Attachment 7.
	\$0	\$88,562	\$88,562	HOME PI	NA	NA	
	Subtotal	\$0	\$809,433	\$809,433			
Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides funding for the program's administration, delivery/staff costs and 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.	\$50,000	\$0	\$50,000	CDBG	14A	LMH	Environmental review is complete. See Attachment 7.
Minor Repair & ADA for Seniors and Low Income Homeowners Program: 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).	\$0	\$46,000	\$46,000	CDBG	14H	LMH	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Neighborhood Stabilization Program 1 and 3: Neighborhood Stabilization Program 1 and 3: Provides proceeds from NSP towards the remaining portfolio of the program and to the Purchase and Resale Entity (PRE) Program (approved in 2014) for rehabilitating and selling single-family homes to low-income first time homebuyers.	\$71,460	\$0	\$71,460	NSP1	NA	NA	Environmental review is complete. See Attachment 7.
	\$640,000	\$0	\$640,000	NSP3	NA	NA	Environmental review is complete. See Attachment 7.
Subtotal	\$711,460	\$0	\$711,460				
Housing Programs Delivery: Supportive services for affirmatively furthering fair housing, affordable housing/multi-family rehabilitation/new construction, Section 3 related activities, environmental and emergency repair/accessibility programs in 2016.	\$0	\$268,782	\$268,782	CDBG	14A/14B	CDBG	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Housing Development, Preservation and Homeownership	\$2,280,982	\$1,933,649	\$4,214,631				

PUBLIC SERVICES

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	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Emergency Solutions Grant: Funds to provide homeless prevention and rapid re-housing in addition to emergency housing/shelters, delivery, operations and maintenance of facilities and essential supportive services per ESG regulations.	\$0	\$352,048	\$352,048	ESG	NA	NA	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 50.19(b). CEQA: Exempt per Guidelines Section 15061(b)(3).
Homeless Activities: Funds will be used to design, administer, and implement homeless programs including but not limited to housing and shelter, detoxification, medical and counseling services, and the provision of food.	\$0	\$62,566	\$62,566	CDBG	05	LMC	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3) and (a)(4), Cat Ex 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Meals on Wheels: Provides meals to homebound seniors and to non-homebound seniors at over 20 dining sites.	\$0	\$391,043	\$391,043	CDBG	05A	LMC	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Subtotal	\$94,000	\$0	\$94,000	MF Supplemental Admin Fee			
			\$485,043				
Promise Zone Planning: Planning related activities related to preparation and submittal of grant applications.	\$25,000	\$0	\$25,000	CDBG	05	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(4). CEQA: Exempt per Guidelines Section 15061(b)(3).
Downtown SRO Supportive Services: 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.	\$0	\$120,000	\$120,000	CDBG	05	CDBG	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA - City and County of Sacramento: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services, supportive services and operations for persons with HIV/AIDS in the City and County of Sacramento.	\$0	\$677,645	\$677,645	HOPWA	NA	NA	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(1), (b)(2) and (b)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA - Yolo County: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services and supportive services for persons with HIV/AIDS in Yolo County.	\$0	\$37,000	\$37,000	HOPWA	NA	NA	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(1) and (b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
HOPWA - El Dorado and Placer Counties: Provides for short-term emergency housing and tenant-based rental assistance, housing placement services and supportive services for persons with HIV/AIDS in El Dorado and Placer Counties.	\$0	\$168,440	\$168,440	HOPWA	NA	NA	Environmental review is complete. NEPA: Categorically excluded per 24 CFR 58.35(b)(1) and (b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
Total Public Services	\$119,000	\$1,808,742	\$1,927,742				

GRANT PLANNING AND ADMINISTRATION
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The following are related to immediate/intermediate term program planning, community participation and general program administration. For CDBG, HUD limits funding for

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Consolidated Planning: Planning related to public facility and infrastructure improvements, affordable housing and homeless/HEARTH Act activities.	\$0	\$100,000	\$100,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and 58.34(a)(8). CEQA: Exempt per Guidelines Section 15262.
Promise Zone Planning: Funds to provide staffing and grant application activities.	\$0	\$50,000	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(4). CEQA: Exempt per Guidelines Section 15061(b)(3).
Coordinated Exit: Provides funds for the planning and design of coordinated exit from homeless programs into permanent affordable housing.	\$0	\$50,000	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(4). CEQA: Exempt per Guidelines Section 15061(b)(3).
Emergency Shelter Planning: Provides funds related to issuing a request for proposal/qualifications, award and consultant contract to provide a study on Sacramento's emergency shelters.	\$0	\$50,000	\$50,000	CDBG	20	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(4). CEQA: Exempt per Guidelines Section 15061(b)(3).
Fair Housing Activities: Provides funds to further fair housing, including outreach, referral and other eligible activities to affirmatively further fair housing.	\$0	\$100,000	\$100,000	CDBG	21D	NA	Environmental review is complete. NEPA: Cat Ex per 24 CFR 58.35(b)(2). CEQA: Exempt per Guidelines Section 15061(b)(3).
ESG Program Administration: Administrative services for the implementation of ESG-funded activities in 2016.	\$0	\$28,544	\$28,544	ESG	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Home Program Administration: Administrative services for the implementation of HOME-funded activities in 2016.	\$0	\$160,194	\$160,194	HOME	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
	\$0	\$19,681	\$19,681	HOME PI	NA	NA	
Subtotal			\$179,875				
HOPWA Program Administration: Administrative services for the implementation of HOPWA-funded activities in 2016.	\$0	\$27,135	\$27,135	HOPWA	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).

Section 3 Program Delivery: Supportive services for First Source Sacramento and Section 3 related activities in 2016.	\$0	\$15,000	\$15,000	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
First Source Sacramento Administration: Provides funding for program administrative oversight; including costs related to software maintenance agreement.	\$0	\$5,000	\$5,000	CDBG	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.32(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
NSP Delivery: Supportive services to deliver the NSP1 & 3 programs in 2016.	\$85,000	\$0	\$85,000	NSP1	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
	\$56,000	\$0	\$56,000	NSP3	NA	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Subtotal	\$141,000	\$0	\$141,000				
CDBG Planning and Administration: Administrative & Planning services for CDBG programs in 2016.	\$0	\$314,546	\$314,546	CDBG	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
	\$0	\$63,400	\$63,400	CDBG PI	21A	NA	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(1) and (a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3).
Subtotal	\$0	\$377,946	\$377,946				
Total Grant Planning and Administration:	\$141,000	\$983,500	\$1,124,500				

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.

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Section 108 Loan Repayment: 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	\$0	\$270,020	\$270,020	CDBG	19F	LMH	Environmental review is complete. NEPA: Exempt per 24 CFR 58.34(a)(2) and (a)(3). C.F.R.A.
	\$0	\$115,036	\$115,036	CDBG PI	19F	LMH	
Total Section 108 Loan Repayment	\$0	\$385,056					

CDBG CAPITAL RESERVE

Activity Name	Previous Years Reprogramming	2016 Proposed Funding	Total Funding	Source	CDBG IDIS Matrix Code	CDBG National Objective	Environmental Clearance
Capital Reserve: Reserve account for overruns in capital improvement activities and to fund budgeted activities in 2016 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.	\$0	\$277,571	\$277,571	CDBG	22	NA	Not subject to environmental review.

**City of Sacramento
Environmental Determination**

Multi-Site Water Cross-Connection Improvement Project: Provides funds for irrigation repairs, backflow control, new booster pumps, extend protective fencing at five parks (Valley-Hi, Chuckwagon, Robertson, Fremont, Woodbine). It is anticipated that the project will be categorically excluded under NEPA and exempt under CEQA. However, if additional environmental review is needed, SHRA and/or City staff may return for further approvals.

Valley Hi Safety and Park Improvement Project: Provides funds for sidewalk and picnic area repairs necessary for public safety and ADA accessibility. It is anticipated that the project will be categorically excluded under NEPA and exempt under CEQA. However, if additional environmental review is needed, SHRA and/or City staff may return for further approvals.

Public Facility Notice of Funding Availability (NOFA): SHRA to issue Notice of Funding Availability (NOFA) for CDBG-eligible capital improvements to a public facility located in low- and moderate-income areas. NEPA: Exempt as an administrative action per 24 CFR 58.34(a)(3). CEQA: Exempt per Guidelines Section 15061(b)(3). This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for acquisition and/or rehabilitation, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Multi-Family Acquisition and Rehabilitation Program: This program provides funding for the acquisition and rehabilitation of low- and moderate-income multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for acquisition and/or rehabilitation, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Multi-Family Housing New Construction: Loans for the construction of multi-family housing. This action does not include any funding commitments or approvals for any specific project. As individual projects are identified for new construction, environmental review will be required prior to taking any choice limiting action or discretionary action on those specific projects.

Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides funding for the program's administration, delivery/staff costs and 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. Administration and delivery/staff costs are exempt under NEPA per 24 CFR 58.34(a)(3) and Exempt under CEQA per Guidelines Section 15061(b)(3). The

emergency repair/accessibility component includes repairs and improvements to existing structures to control threats to public safety and accessibility improvements which will remove barriers that restrict mobility of and accessibility by elderly and disabled persons. These activities are Exempt under NEPA per 24 CFR 58.34(a)(10) and Categorically Excluded per 58.35(b)(3) and Categorically Exempt under CEQA per Guidelines Section 15301. Review is complete for this activity. However, any activities not covered under this environmental review are subject to additional review under CEQA and/or NEPA prior to project commencement.

Neighborhood Stabilization Program 1 and 3: Provides proceeds from NSP towards the Purchase and Resale Entity (PRE) Program (approved in 2014) for rehabilitating and selling single-family homes to low-income first time homebuyers. Individual properties in this program were reviewed and cleared under CEQA and NEPA in 2015. Environmental Review Records are on file at SHRA.

**Sacramento Housing and Redevelopment Agency
Multi-Family Loan and Mortgage Revenue Bond Application
2016 Schedule, Priorities, and Anticipated Funding**

July 9% TCAC & CDLAC Applications:

Pre-Application Deadline	Jan. 4, 2016
Application Deadline	March 1, 2016
Environmental Deadline*	April 20, 2016
Sacramento Housing and Redevelopment Commission (SHRC)	June 1, 2016
Board of Supervisors/City Council (Board/Council)	June 21, 2016
Est. 9% TCAC/CDLAC Application Deadlines	July 6, 2016/July 15, 2016

October CDLAC Application:

Pre-Application Deadline	April 1, 2016
Application Deadline	June 1, 2016
Environmental Deadline*	August 10, 2016
SHRC	Sept 21, 2016
Board/Council	Oct 11, 2016
Est. CDLAC Application Deadline	October 21, 2016

January CDLAC Application:

Pre-Application Deadline	June 1, 2016
Application Deadline	August 1, 2016
Environmental Deadline*	October 5, 2016
SHRC	November 16, 2016
Board/Council	December 6, 2016
Est. CDLAC Application Deadline	January 20, 2017

March 9% TCAC & CDLAC Applications:

Pre-Application Deadline	August 1, 2016
Application Deadline	October 3, 2016
Environmental Deadline*	December 14, 2016
SHRC	February 1, 2017
Board/Council	February 21, 2017
Est. 9% TCAC/CDLAC Application Deadlines	March 1, 2017/March 17, 2017

May CDLAC Application:

Pre-Application Deadline	November 1, 2016
Application Deadline	January 3, 2017
Environmental Deadline*	March 9, 2017
SHRC	April 19, 2017
Board/Council	May 9, 2017
CDLAC Application Deadline	May 19, 2017

*Environmental clearance (CEQA and NEPA) not received by this date will result in project approvals being delayed and the CDLAC/TCAC application being submitted at a later date.

2016 Anticipated Multifamily Loan Funding:

City of Sacramento

HOME**	\$2.9 million
CDBG (prevailing wage rehabilitation)	\$1.0 million
Housing Trust Fund (workforce housing)	\$2.6 million

County of Sacramento

HOME**	\$3.0 million
CDBG (prevailing wage rehabilitation)	\$2.2 million
Housing Trust Fund (workforce housing)	\$0.3 million
County Affordable Housing Program (workforce housing)	\$1.5 million
Mental Health Services Act (permanent supportive housing)	\$0.8 million

* Includes anticipated 2016 revenues and prior years unallocated balances

** Prevailing wages required if more than 11 units assisted

Multifamily Lending and Mortgage Revenue Bond Policies
For Projects of 12 or More Units

Adopted by the Sacramento County Board of Supervisor and County Housing Authority
on March 10, 2009

Adopted by the Sacramento City Council and City Housing Authority on March 17, 2009

1.1. Eligible projects and project priorities. Funding recommendations for Agency financing will be made based on the project priorities set out below. Projects seeking issuance of mortgage revenue bonds without Agency financing are not subject to these priorities. Pre-application approval, followed by approval of a full application, is required before being eligible for funding.

Applications seeking funding to be used in conjunction with the 9% Low Income Housing Tax Credit Program (LIHTC) are subject to the priorities for that program, included as Exhibit 1 to these guidelines.

For a listing of funding sources and their specific requirements, please see Exhibit 2.

Affordable housing priorities:

1. Preservation

Preservation of projects which are currently publicly subsidized, but at risk of losing affordability restrictions due to sale, termination, or public subsidy reductions.

2. Recapitalization

Substantial rehabilitation of projects with affordability restrictions, including projects that have reached the expiration of their 15-year tax credit compliance period, but only in conjunction with new mortgage revenue bonds, tax credits, and/or other affordable housing resources to the greatest extent feasible.

3. Inclusionary housing

New construction to meet inclusionary housing requirements under the City of Sacramento Mixed Income Housing Ordinance or the County of Sacramento Affordable Housing Ordinance, but only in conjunction with mortgage revenue bonds, tax credits, a State subsidy, and/or a contribution of land and monetary financial assistance from the master developer.

4. Rehabilitation and new production

Substantial rehabilitation of other projects, with preference among City projects to those located in redevelopment areas; and

New construction of affordable housing including low-income, mixed-income, or workforce housing, with preference to projects in census tracts where the poverty rate is less than 30 percent; projects that meet redevelopment goals; projects located within ¼ mile of a Transit Hub (as defined by State Transit Oriented Development Program Guidelines); or development of sites identified as being appropriate for affordable housing in the Housing Element.

Maps of City redevelopment areas and census tracts where the poverty rate is less than 30 percent are presented in Exhibits 3 and 4 respectively.

Multifamily Lending and Mortgage Revenue Bond Policies
For Projects of 12 or More Units

EXHIBIT 1

9% LOW INCOME HOUSING TAX CREDIT PROGRAM PRIORITIZATION

The Agency shall accept applications for projects to be considered under this policy no later than four months prior to the anticipated application due dates for the California Tax Credit Allocation Committee (TCAC), which are mid-April (1st Funding Round) and mid-July (2nd Funding Round) each year.

Projects shall be reviewed under the Agency's multifamily lending policies to determine the feasibility and financial need of the proposed project. In addition, staff shall evaluate the proposed project for competitiveness under the 9% LIHTC program, as well as other available funding sources, such as the State of California's Multifamily Housing Program.

Projects that appear competitive for funding under the 9% LIHTC program and in need of Agency financial assistance shall be ranked based on the prioritization outlined below. The project with the highest tier ranking will be given priority for funding by the Agency.

Prioritization of ProjectsTier 1

- Acquisition/Rehabilitation or new construction designed and programmed to serve special needs tenants, such as chronically homeless individuals or families.
- Acquisition/Rehabilitation or new construction which will augment or safeguard the City of Sacramento's inventory of single room occupancy units.

Tier 2

- Acquisition/Rehabilitation projects that have community development benefits (i.e. blight removal, acquisition of multiple parcels under multiple ownership, projects included in an implementation plan or identified by the Agency as a catalyst project).

Tier 3

- New construction projects that have community development benefits (i.e. blight removal, acquisition of multiple parcels under multiple ownership, transit oriented developments, projects included in an implementation plan or identified by the Agency as a catalyst project).

Multifamily Lending and Mortgage Revenue Bond Policies
For Projects of 12 or More Units

EXHIBIT 2

FUNDING SOURCES

Redevelopment Tax Increment Funds – REDEVELOPMENT ELIMINATED IN 2012

The City and County of Sacramento have redevelopment areas which generate funds, called tax increment (TI), from increasing property values. A minimum of 20 percent of these tax increment funds must be used to house persons of very low, low, and moderate-income.

Affordability levels for tax increment-assisted units are determined by many factors, including consistency with local Housing Element goals and certain percentage requirements for very low- and low-income households established in state law. The maximum affordability levels are 110 percent of the Area Median Income (AMI), considered “moderate-income” housing.

Housing Trust Funds (HTF)

The City and County Housing Trust Funds raise local revenues for affordable housing from fees placed on non-residential development, such as offices, hotels, retail, businesses, and medical facilities. The program is based on a nexus analysis demonstrating that the new commercial development employs very low- and low-income workers who in turn create a demand for affordable housing. The fee-generated revenue is used to increase the supply of housing for persons in or likely to be in the labor force. Housing trust funds are primarily used for new construction or for substantial rehabilitation to produce net new housing.

- Incomes: The City housing trust fund serves households up to 80 percent of AMI (“low-income”), with priority given to very low-income households. The County trust fund serves households up to 50 percent of AMI (“very low-income”).
- Workforce housing: For a project to be eligible, there must be a reasonable expectation that the prospective residents will be in the labor force in the area. The funds are not used for senior housing.
- Location preference: Preference is given to locations within one-quarter mile of existing or planned transit services. Overall, the program should finance assisted units within seven miles of the aggregate sources of the employment-generated revenues.

Federal Funds

As the housing finance agency for the City and County of Sacramento, SHRA uses funding from the federal Home Investment Partnership (HOME) and Community Development Block Grant (CDBG) Programs, which are received by the City and County as entitlement jurisdictions. A summary of the conditions and restrictions particular to each funding source is provided below.

Home Investment Partnership Program (HOME) funds. At least 20 percent of HOME-assisted units in each project of five or more HOME-assisted units must be reserved for households with incomes below 50 percent of AMI and leased at rents affordable to such households. All remaining HOME-assisted units must be reserved for households with incomes below 60 percent of AMI with rents not to exceed 65 percent. Minimum affordability restrictions range from a minimum term of 5 years to 55 years depending on the amount of assistance provided.

Community Development Block Grant (CDBG) funds. Generally, at least 51 percent of units in a project assisted with CDBG funds must be affordable to households with incomes below 80 percent of AMI. New construction can only be assisted if it is carried out by a Community Based Development Organization.

County Fee Waiver/Deferral Program

The Agency assists in the administration of the County of Sacramento's Impact Fee Waiver and Deferral Program for affordable housing projects. Only projects located in the unincorporated area are eligible for impact fee waivers/deferrals, with the exception that Sacramento Regional Sanitation District and Sacramento Area Sewer District (formerly CSD-1) fee waivers are available to cities in the county and unincorporated areas, where applicable.

The total number of fee waivers is capped by the County annually at 200 dwelling units or 5 percent of the number of dwelling units for which residential building permits for new construction in the unincorporated County were issued in the previous year, whichever is greater.

- Fee Deferrals. In order to qualify for fee deferrals, a project must have 1) a minimum of 10 percent of units restricted for rent to households having incomes less than or equal to 50 percent of AMI; or 2) a minimum of 49 percent of units restricted for rent to households having incomes less than or equal to 80 percent of AMI. Payment of deferred fees is due 24 months from start of construction or upon the close of permanent loan financing, whichever is earlier.
- Fee Waivers. In order to qualify for fee waivers, a project have a minimum of 10 percent of its units restricted for rent to households having incomes less than or equal to 50 percent of AMI. Fees will be waived in an amount proportional to the percentage of very low income units restricted.

Mental Health Services Act Program

The State of California Mental Health Services Act (MHSA) Housing Program was established to fund permanent supportive housing (PSH) projects for people with psychiatric disabilities and children with serious emotional disturbance.

There are two pools of funds that are provided in three year cycles. "One-time" funds are provided by the State directly to the County and applications are accepted over-the-counter through SHRA and through Sacramento County Division of Mental Health (DMH). The other sources of MHSA funds are controlled by CalHFA and applications are submitted over-the-counter to CalHFA.

Contact must be made early in the process with SHRA staff and the Sacramento County Department of Mental Health for their approval of the proposed project concept as well as to receive a preliminary services commitment.

Eligible Applicants will be organizations meeting the California Department of Housing and Community Development's (HCD) Sponsor eligibility requirements for Supportive Housing Program as detailed in MHP Regulations, California Code of Regulations, Title 25, Division 1, Chapter 7, Subchapter 4.

Eligible Projects include only permanent supportive housing (PSH) units. PSH is defined to include all of the following: tenant holds a lease and has rights of tenancy, tenant has a private space that is locked and that only they have access to, and participating in supportive services is not a requirement of tenancy.

Eligible Uses of Funds include: acquisition of vacant property, acquisition and rehabilitation of an existing development, construction of a new development, capitalizing operating costs, and predevelopment costs associated with an eligible project proposal. Funds can be awarded as a grant or a loan, whichever assists in project feasibility and/or meets the requirements of other sources of funding.



DRAFT

City and County of Sacramento Citizen Participation Plan

INTRODUCTION

It is the intent of the City of Sacramento (City), the County of Sacramento (County), and the Sacramento Housing and Redevelopment Agency (SHRA) to encourage and facilitate the participation of the residents of Sacramento in the formulation of priorities, strategies, **and funding allocations in the Affirmatively Further Fair Housing (AFFH) Plan**, Consolidated Plan and the One-Year Action Plan, Substantial Amendments thereto and performance reviews for the following five programs funded by the U.S. Department of Housing and Urban Development (*HUD*) [*24 CFR part 5, subpart A – AFFH, 24 CFR Part 91 Consolidated Submission for Community Planning and Development Programs, 24 CFR part 92 HOME Investment Partnerships Program, 24 CFR part 570-Community Development Block Grant, 24 CFR part 574 Housing Opportunities for Persons with AIDS/HIV, 24 CFR part 576-Emergency Solutions Grant, 24 CFR part 903-Public Housing Plans*]:

- Community Development Block Grant (CDBG);
- Neighborhood Stabilization Program (NSP);
- HOME Investment Partnerships (HOME);
- Emergency Solutions Grant (ESG); and
- Housing Opportunities for Persons with Aids (HOPWA).
- Refer to the Public Housing Plan for additional Citizen Participation Plan information.

USE OF THE CITIZEN PARTICIPATION PLAN

The City, County and SHRA are committed to vigorously follow, implement, and abide by both the letter and spirit of this Citizen Participation Plan (24 CRF part 5.158 and 24 CFR part 570.431).

This plan identifies strategies to obtain participation from those persons directly affected by the **AFFH**, Consolidated Plan, Substantial Amendments and One-Year Action Plans and One-Year Action Plan Amendments, to provide accurate information and timely notification of activities, to provide education and assistance to citizens to access the programs, to involve citizens during all stages of the process, and to respond to specific complaints and needs of citizens. The City, County and SHRA will take whatever

actions are appropriate to encourage the participation of all citizens, including minorities and persons with limited English speaking proficiency, persons with disabilities, and residents of public and assisted housing. SHRA staff will encourage the participation of residents of public and assisted housing developments and recipients of tenant-based assistance in the process of developing and implementing the goals of AFFH and the Consolidated Plan, along with residents of targeted revitalization areas in which developments are located. Staff will coordinate with the Housing Authority on the development of the AFFH, and shall provide information to the Housing Authority about Consolidated Plan activities related to its developments and surrounding communities that the Housing Authority can make available at the annual public hearing for the Public Housing Agency Plan.

The general structure of citizen review/participation component has three tiers: citizens and citizen groups, Sacramento Housing and Redevelopment Agency Commission (SHRC), the City Council or Sacramento County Board of Supervisors, the governing bodies of SHRA. Many project ideas occur at the grass roots level. These ideas are then recommended to the SHRC who reviews all housing and community development activities. The recommendation then proceeds to the City Council or Board of Supervisors (depending upon project/program jurisdiction) for final review and approval.

Citizens may submit comments verbally or in writing at public hearings or directly to SHRA staff

Written comments, questions or inquiries regarding CDBG, NSP, HOME, ESG and HOPWA programs are to be addressed to:

Sacramento Housing and Redevelopment Agency

Development Department
Attn: Programs Manager
801-12th Street
Sacramento, CA 95814

DEFINITIONS

Affirmatively Further Fair Housing (AFFH): AFFH (24 CFR part 5) refers to an analysis performed in accordance with requirements for consultation and community participation that includes an analysis of fair housing data, an assessment of fair housing issues and contributing factors, and an identification of fair housing priorities and goals, and is conducted and submitted to HUD using the HUD developed Assessment Tool. The AFFH is conducted every five years prior to the development of the Consolidated Plan or Public Housing Plan. The AFFH replaces the previously HUD approved Analysis of Impediments to Fair Housing Choice.

Consolidated Plan: This document is submitted to HUD and serves as the planning document of the County of Sacramento and application for funding for CDBG, NSP,

HOME, ESG, and HOPWA. The document is developed in accordance with 24 CFR parts 5 and 91 and sets forth the priorities and strategies of the programs for a five-year period.

One-Year Action Plan: This document updates the Consolidated Plan on an annual basis and allocates one year's funding (entitlement and program income) to specific projects and activities for the CDBG, NSP, HOME, ESG, and HOPWA programs. SHRA develops the document annually in accordance with 24 CFR 91.505.

Consolidated Annual Performance Evaluation Report (CAPER): This document reports on the progress made in carrying out the AFFH, Consolidated Plan and One-Year Action Plan activities. SHRA prepares the report annually in accordance with 24 CFR Part 91.

Public Hearing: A public hearing is a public meeting that has been publicly noticed in a local newspaper of general circulation, or noticed in a fashion which otherwise follows local procedures for formal noticing of public hearings. Public hearings are required prior to the adoption of the Consolidated Plan, the One-Year Action Plan, and substantial amendments to either Plan (24 CFR 91.505 (b)).

Substantial Amendment: A substantial amendment to the Consolidated Plan involves carrying out an activity or program not previously described (purpose, scope, location and beneficiary). Substantial Amendments will follow local procedures for formal noticing of public hearings and citizen comment period per 24 CFR 91.105 and 505(b).

Substantial Amendment examples: Community Development Block Grant-Recovery Act; Neighborhood Stabilization Program, Homelessness Prevention and Rapid Re-Housing Program are examples of new or one-time federally funded activities or programs.

Amendment: An amendment pertains to the One-Year Action Plan and involves carrying out an activity or program previously described in the existing One-Year Action plan, but includes a change in funding that does not require additional citizen participation. SHRA's Executive Director or respective designee will administratively amend, up to the authority granted during approval by the governing body, the existing budget for activities or programs to efficiently expend funds (including program income) related to previously disclosed activities or programs in accordance to the intent of the funds identified in the previously undertaken citizen participation process. In addition, an existing activity or program can be cancelled administratively if no funds were expended, and said funds can then be re-allocated to an existing One-Year Action Plan activity, program or applicable contingency fund to be allocated to a future activity(ies) or program(s) at a future date.

CONSOLIDATED PLAN, ONE-YEAR ACTION PLAN, AND SUBSTANTIAL AMENDMENTS THERETO

Comments and suggestions from the public are welcome at all times. To facilitate public interaction, SHRA will conduct at least two public meetings of which one will be a public hearing at different stages of the program year. Together, the meetings will address housing and community development needs, development of proposed activities, and review of program performance. The hearings will be held at times and locations convenient to potential and actual beneficiaries, and with accommodation for persons with disabilities. At least one public hearing will be held prior to the adoption of the **AFFH**, Consolidated Plan, the One-Year Action Plan, and when making Substantial Amendments to either plan.

SHRA will notify the public of these hearings by publishing a notice in at least one paper of general circulation and on SHRA's website at least 30 days (24 CFR parts 5.158 and 91.105 (e)(1)) prior to the first public hearing. The public hearing will be held in a time and location convenient to potential and actual beneficiaries and with accommodations for persons with disabilities. The notice will:

- **Describe the AFFH development and goals prior to adoption;**
- For the Consolidated Plan, Substantial Amendment, One-Year Action Plan or Action Plan Amendment, describe the approximate amount of funding and range of possible activities; and;
- State where and how information may be obtained;
- State the date of the public hearing;
- Allow 30 days for public comments prior to adoption of the **AFFH**, Consolidated Plan, One-Year Action Plan, or the Substantial Amendment; and
- State how the public can submit comments.

All comments received in writing, or orally at the public hearing, will be considered when preparing the final Consolidated Plan, One-Year Action Plan or substantial amendments thereto. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, will be attached to the document. Written comments will receive a written response within fifteen working days, where practicable.

CAPER (Consolidated Annual Performance Evaluation Report)

SHRA will notify the public by publishing a notice in at least one paper of general circulation and on the SHRA website at least 15 days prior to the submission of the report to HUD. The notice will:

- State where and how the report may be obtained;
- Allow at least 15 days for comments prior to the submission of the report to HUD; and
- State how the public can submit comments.

All comments received in writing will be considered when preparing the final CAPER. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, will be attached to the document. Written comments will receive a written response within 15 working days, where practicable.

CITIZEN PARTICIPATION PLAN

Prior to the adoption of the Citizen Participation Plan and any One-Year Action Plan Amendment or Substantial Amendment, SHRA will hold a public hearing and consider all comments. Copies of the Citizen Participation Plan were made available at SHRA, public libraries, and governmental offices. SHRA staff will assist any disabled persons interested in obtaining a copy of the Citizen Participation Plan who are otherwise unable to access it.

A free copy of the **AFFH**, Consolidated Plan and One-Year Action Plan are available from SHRA at no cost to persons and organizations that request it.

OTHER CITIZEN PARTICIPATION REQUIREMENTS

Notification to Interested Parties: SHRA will endeavor to directly notify interested parties of scheduled public hearings. A list of persons and community groups interested in receiving such notices will be maintained by SHRA.

Access to Records: SHRA will provide access to public records related to the **AFFH**, Consolidated Plan, One-Year Action Plan and Amendments and the jurisdiction's use of assistance under the programs covered by the plans during the preceding five years through written or verbal request. SHRA may charge a fee for copies to recover the cost of material and operations. SHRA will require an appointment to view records and, in most case, will require SHRA staff to be present during inspection of records.

Translation and Interpretation Services: If limited English proficiency or disabled persons request assistance to participate in a public hearing, SHRA staff will retain appropriate assistance to allow such residents to participate. Generally, assistance will consist of obtaining appropriate interpreter services. However, if such assistance presents an undue financial or administrative burden, SHRA will consider it mandatory only in instances where it is expected that a significant number of limited English proficiency or disabled persons will be in attendance.

Technical Assistance: SHRA will endeavor to assist community groups and individuals as requested. The provision of assistance will be determined based upon the following: staff availability; the relationship of the request to the priorities adopted in the **AFFH** and Consolidated Plan; and other available resources. At a minimum, SHRA will advise on all technical questions, such as determining the eligibility of a request.

Complaints: SHRA will respond to written complaints from citizens related to the AFFH, Consolidated Plan, One-Year Action Plan, Substantial Amendments, administrative amendments and performance reports within 15 working days.

Responsibility: SHRA will retain responsibility and authority to outreach to minorities and persons with limited English proficiency, as well as persons with disabilities, during the development of the AFFH, the Consolidated Plan and One-Year Action Plan. This responsibility and authority is not restricted by the citizen participation requirements.

MINIMIZING DISPLACEMENT AND RELOCATION BENEFITS

COUNTY OF SACRAMENTO RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN SECTION 104(d) OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED

SHRA, administrator of the ESG, CDBG, HOPWA, the Urban Development Action Grant Program, NSP and the HOME for the County of Sacramento, will comply with all federal regulations governing residential antidisplacement and relocation assistance as they pertain to these programs.

Specifically, SHRA will comply with Section 104(d) of the Housing and Community Development Act of 1974 [42 U.S.C. 5304(d)] and implementing regulations at 24 CFR Part 42. HUD assisted programs administered by SHRA which are governed by these regulations are the ESG, CDBG, HOPWA, NSP, HOME, the Section 108 Loan Guarantees Program, and the Urban Development Action Grant Program.

SHRA will replace all occupied and vacant occupiable lower-income dwelling units demolished or converted to a use other than as lower-income housing as a direct result of activities assisted with funds under the above-stated programs.

All replacement housing will be provided within three years after the commencement of the demolition or conversion. Pursuant to 24 CFR 42.375(c) and before entering into a contract committing the County of Sacramento to provide funds for a project that will directly result in demolition or conversion, SHRA will make public by publication in a newspaper of general circulation and submit to HUD the following information in writing:

1. A description of the proposed assisted activity;
2. The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;

4. The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data are not available at the time of the general submission, the submission will identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size will be submitted and disclosed to the public as soon as it becomes available;
5. The source of funding and a time schedule for the provision of replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units), or any proposed replacement of efficiency or single-room occupancy (SRO) units with units of a different size, is appropriate and consistent with the housing needs and priorities identified in the approved Consolidated Plan.

To the extent that the specific location of the replacement housing and other data in items 4 through 7 are not available at the time of the general submission, SHRA will identify the general location of such housing on a map and complete the disclosure and submission requirements as soon as the specific data are available.

SHRA's Development Department, 801-12th Street, is responsible for tracking the replacement of lower-income dwelling units and ensuring that it is provided within the required period.

SHRA will provide relocation assistance, as described in 24 CFR Part 42, Subpart C-- Requirements Under Section 104(d) of the Housing and Community Development Act of 1974, to each lower-income person who, in connection with an activity assisted under any program subject to this subpart, permanently moves from real property or permanently moves personal property from real property as a direct result of the demolition or conversion of a lower-income dwelling.

Depending upon program requirements, SHRA is responsible for providing relocation payments and other relocation assistance to any lower-income person displaced by the demolition of any dwelling units or the conversion of lower-income dwelling units to another use.

Consistent with the goals and objectives of activities assisted under Section 104(d) of the Housing and Community Development Act of 1974, as amended, SHRA will take the following steps to minimize the direct and indirect displacement of persons from their homes:

1. In structuring proposed projects for funding consideration, SHRA (a) make an assessment of the potential displacement which might occur from the project as proposed, (b) consider alternatives which would minimize displacement, and (c) select the most feasible alternative which both meets project goals and minimizes displacement.
2. For programs assisted through ESG, HOME, HOPWA, CDBG, NSP or Section 108 resources, in which a property owner voluntarily seeks such assistance (such as a rehabilitation loan), SHRA will assess the potential displacement which may result from the project and the costs associated with such displacement and advise the property owner. The property owner shall be further advised of his/her responsibility to pay for such costs. SHRA will provide technical assistance to owners on methods to minimize permanent displacement (and therefore costs) such as scheduling construction activities in phases to allow tenants to temporarily move and thereby avoid permanent displacement, referring eligible tenants to assistance programs (such as Housing Choice Voucher) to help stabilize the tenant's rent, or other alternatives appropriate to the assisted activity.
3. For major publicly initiated programs, where the displacement assessment indicates substantial direct or indirect displacement may occur, SHRA will prepare a project specific displacement mitigation/ relocation plan in order to ensure implementation consistent with HUD regulations.
4. Stage rehabilitation of apartment units to allow tenants to remain in the building/complex during and after the rehabilitation by working with empty units first.
5. Arrange for facilities to house persons who must be relocated temporarily during rehabilitation.

RESOLUTION NO. 2015 -

Adopted by the Housing Authority of the City of Sacramento

on date of

AUTHORIZING THE ACCEPTANCE OF \$100,000 FROM THE TARGETED CAR SHARING AND MOBILITY OPTIONS IN DISADVANTAGED COMMUNITIES PILOT PROJECT GRANT; EXECUTION OF RELATED DOCUMENTS; AMEND SHRA BUDGET; AND OTHER ENVIRONMENTAL FINDINGS

BACKGROUND

- A. As a joint applicant with the Sacramento Air Quality Management District, the Sacramento Housing and Redevelopment Agency (SHRA) will be awarded \$100,000 of the \$1.1 million grant for the targeted Car Sharing and Mobility Options In Disadvantaged Communities Pilot Project (Car Sharing) for planning, managing, and providing quality control of the construction, installation, maintenance and operation of battery-electric vehicle (BEV) parking/charging stations.
- B. SHRA is authorized to plan, manage and provide quality control of the construction, installation, maintenance and operation of the BEV parking/charging sites located at the following Housing Authority complexes: Edgewater Housing Complex, 630 I Street, Sacramento CA; Alder Grove Housing Complex, 816 Revere Street, Sacramento CA.
- C. This activity is Exempt under the California Environmental Quality Act pursuant to Guidelines Sections 15301, 15303 and 15304, and Categorically Excluded under the National Environmental Policy Act (NEPA) per 24 CFR 58.35(a)(3)(iii).

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

Section 1: The facts as presented and set forth in the background, above are found to be true and correct.

Section 2: The acceptance of the Car Sharing Project grant is hereby approved.

Section 3: SHRA is authorized to make any budget adjustments and execute related documents, and agreements as necessary to carry out the Car Sharing Project in compliance with adopted SHRA Procurement Policies and applicable local, state and federal laws and regulations and on reasonably commercial terms in a form approved by SHRA Counsel.