RESOLUTION NO. 2006-788

Adopted by the Sacramento City Council

October 24, 2006

AMENDING PRIOR YEARS' ACTION PLAN AND APPROVAL OF THE 2007 ONE-YEAR ACTION PLAN FOR COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIP, AMERICAN DREAM DOWNPAYMENT INITIATIVE, EMERGENCY SHELTER GRANT, AND HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAMS; RELATED BUDGET AMENDMENT

BACKGROUND

A. On October 29, 2002, the Sacramento City Council approved the 2003-2007 Consolidated Plan. The Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy for meeting those needs. In addition, it specifically addresses the following federally-funded housing and community development programs: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), American Dream Downpayment Initiative (ADDI), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Programs.

B. The Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities set out in the Consolidated Plan.

C. A noticed public hearing soliciting comments on the programs and projects proposed for funding under the amended Action Plans and the 2007 One-Year Action Plan was held by the Sacramento Housing and Redevelopment Commission on October 4, 2006.

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 the staff report that accompanies this resolution, are approved.

Section 2. The amendment of prior years' Action Plans by defunding the projects and programs as set out in Exhibit A, which is attached to this resolution, is hereby approved.

Section 3. The 2007 One-Year Action Plan, which allocates anticipated CDBG, HOME, ADDI, ESG and HOPWA to various programs and projects, as set out in Exhibit B, which is attached to this resolution, is hereby approved.

Section 4. The 2006 One-Year Action Plan is amended to add the projects set out in Exhibit C, which is attached to this resolution, is hereby approved.

Section 5. The Sacramento Housing and Redevelopment Agency (SHRA) is authorized to submit the amendment of the prior years' Action Plan and the 2007 One-Year Action Plan to the U.S. Department of Housing and Urban Development (HUD).

Section 6. SHRA is authorized to amend the SHRA Budget to allocate the CDBG funding for programs and projects in accordance with the amendment of the prior years' Action Plan, and to allocate the CDBG, HOME, ADDI, ESG and HOPWA grant funding for programs and projects as set out in the 2007 One-Year Action Plan.

Section 7. SHRA is authorized to amend the SHRA Budget to reallocate the 2007 CDBG Capital Reserve, HOME, ADDI, ESG and HOPWA budgets to the extent that the final 2007 federal funding entitlement is more or less than the amounts estimated in the 2007 One-Year Action Plan.

Section 8. SHRA is authorized to execute the Action Plan grant agreement(s) with HUD, and the agreements and contracts with the appropriate entities to carry out the CDBG, HOME, ADDI, ESG and HOPWA funded activities in the amended prior years' Action Plan in accordance with the 2007 One-Year Action Plan.

Section 9. The City Manager is authorized to execute agreements and contracts with the appropriate entities to carry out the activities contained within the 2007 One-Year Action Plan.

Section 10. The County Department of Human Assistance (DHA) Director, or designee, is authorized to receive ESG and HOPWA grant funds in accordance with the 2007 One-Year Action Plan, and to execute agreements and contracts with appropriate entities to carry out ESG and HOPWA funded activities.

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Exhibit A: Defunded Activities for Various Years' Action Plan
Exhibit B: 2007 One-Year Action Plan Activities
Exhibit C: Amendment to 2006 One-Year Action Plan Activities

Adopted by the City of Sacramento City Council on October 24, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters and Vice Mayor Fong.

Noes: None.

Abstain: None.

Absent: Mayor Fargo.

Robert King Fong, Vice Mayor

Attest:

Shirley Concolino, City Clerk

City of Sacramento
Defunded Activities for Various Years' Action Plan

Activities being defunded are those that have been completed or funded through alternative sources. Newly funded activities are scheduled to be implemented and completed by December 31, 2008 to comply with federal regulations governing the timely expenditure of funds.

Activity descriptions for 2007 are located in Exhibit B and for 2006 in Exhibit C.

Recommendation	Amount
2006 Capital Reserve – Funds originally set aside for contingency for capital improvement projects. Staff recommends funds to be allocated to the **2006 Phoenix Park Security Gates** project.	$200,000
2006 Dixieanne Streetlights (District 2) - $350,000 was allocated to this project to install acorn style streetlights in the Dixieanne neighborhood. This project is complete and staff recommends re-allocating the remaining $140,000 to the **2007 Dixieanne Park Improvements** project.	$140,000
2004 Franklin Boulevard Streetscape Improvements (District 5) - $368,000 was allocated to this project for the design and installation of streetscape improvements on Franklin Boulevard from Sutterville Road to 33rd Avenue and Fruitridge Road from 24th Street to Highway 99. Franklin Boulevard tax increment funds have been subsequently allocated to this project, and staff recommends re-allocating $75,000 from this project to the **2007 Colonial Heights Sidewalk Improvements** project.	$75,000
2003 65th Street and Fruitridge Road Improvements (District 6) - $185,000 was allocated to this project for improvements to four crosswalk areas at the intersections including sidewalks, planter strips, irrigation, landscaping, raised decorative walls, traffic loop modifications, and other enhancements or improvements along Fruitridge Road. This project is complete. This report recommends the remaining funds be reallocated to the **2007 Tahoe Park Streetlights** project.	$65,000
2005 Max Baer Lighting Improvement (District 6) - $268,326 was allocated to this project for the installation of street lights near the Max Baer Clubhouse and around the perimeter of the park. This project is complete. This report recommends the remaining funds be reallocated to the **2007 Tahoe Park Streetlights** project.	$127,649
2005 HOPWA - Staff recommends reprogramming $517,830 of un-allocated 2005 HOPWA funds. $23,580 to **2006 HOPWA Program Administration**, and $494,250 to the **2007 AIDS Housing Alliance Program.**	$517,830
Total	**$1,125,479**

City of Sacramento

2007 One-Year Action Plan Activities

The U.S. Department of Housing and Urban Development (HUD) requires a consolidated planning process for the federal Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), American Dream Downpayment Assistance Initiative (ADDI), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter 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, ADDI, HOPWA, and ESG funds for the period 2003-2007. In general, the mission of the Consolidated Plan is to revitalize selected lower-income neighborhoods and to assist disadvantaged populations by providing adequate public facilities and services, generating affordable housing opportunities, and stimulating economic development.

The One-Year Action Plan is the annual update to the Consolidated Plan. A key component of the One-Year Action Plan is the allocation of funds to proposed activities. This portion of the plan describes activities the jurisdiction will undertake in the coming year. Proposed activities address the priority needs and specific objectives of the 2003-2007 Consolidated Plan, adopted by the Sacramento City Council on October 29, 2002.

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

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

Revenue Source	**Estimated Revenue**
CDBG Entitlement	$5,845,235
CDBG Program Income	$571,000
CDBG Defunding	$407,649
HOME Entitlement	$3,194,864
HOME Program Income	$403,835
ADDI Entitlement	$56,943
ESG Entitlement	$249,563
HOPWA Entitlement	$770,280
HOPWA Defunding	$494,250
Total Revenues	**$11,993,619**

The following table summarizes proposed activities for 2007. Activities are organized into categories; funding totals for each category are indicated.

Funding Category	Proposed Funding
Infrastructure and Public Improvements (includes reprogrammed funds)	$1,724,947
Housing Development, Preservation and Homeownership	$5,093,293
Public Services	$2,416,285
Commercial Revitalization	$53,500
Grant Planning and Administration	$1,547,959
HUD Loan Repayments	$620,631
CDBG Capital Reserve	$537,004
Total Funding	**$11,993,619**

Background on the City Council District Allocation

The infrastructure and public improvement projects recommended in the 2007 One-Year Action Plan are allocated by City Council District. Each Council District contains low- and moderate-income census tracts, and each Council District allocation is based on the percentage of low- and moderate-income population residing within the District according to the 2000 Census. This allocation method is used to distribute funds for new and continuing capital improvement projects.

The chart below shows the percent of low- and moderate-income population and each Council District's CDBG allocation.

District 1	District 2	District 3	District 4	District 5	District 6	District 8
2000 Percent of Low- and Moderate-Income Population						
10.91%	18.53%	12.13%	12.27%	16.62%	13.20%	16.35%
CDBG Allocation						
$125,000	$210,000	$140,000	$140,000	$190,000	$150,000	$190,000

ANNUAL DISTRICT CDBG ALLOCATIONS

Council District 1	**$125,000**	**Council District 2**	**$210,000**
Reprogramming	$0	*Reprogramming* *2004 Dixieanne Streetlights*	$140,000
Northgate – Park Site Acquisition*	$125,000	Dixieanne Park Improvements*	$350,000
Council District 3	**$140,000**	**Council District 4**	**$140,000**
Reprogramming	$0	*Reprogramming*	$0
North Sacramento Infrastructure *	$140,000	Sacramento Chinese Community Center Rehabilitation	$140,000
Council District 5	**$190,000**	**Council District 6**	**$150,000**
Reprogramming *2004 Franklin Blvd Streetscape*	*$75,000*	*Reprogramming* *2003 65th Street & Fruitridge Road Improvements* *2005 Max Baer Lighting Improvements* *Total Reprogramming*	*$65,000* *$127,649* *$192,649*
Colonial Heights Streetscape	$265,000	Tahoe Park Streetlights*	$342,649
Council District 7	**$ -**	**Council District 8**	**$190,000**
Reprogramming	$0	*Reprogramming*	$0
Council District 7 does not have a significant number of low-and moderate-income census tracts, so there is no CDBG allocation.	$ -	Dreamstreet* Florin Road Median Improvements* Total	$75,000 $115,000 $190,000

*New Capital Improvement Project

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS

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

Northgate - Park Site Acquisition (District 1): Provides funding to acquire land in the Northgate neighborhood. This site will be a future park.	$125,000	CDBG
Dixieanne Park Improvements (District 2): Provides funds for improvements to the park including such items as a play area, skate park, multi-purpose turf, shade structure, picnic tables, trees and landscaping, lighting, and signage.	$350,000	CDBG
North Sacramento Infrastructure Improvements (District 3): Provides for improvements on Del Paso Boulevard from Ripley Street to South Avenue including curb, gutter, sidewalks, storm drains, lighting, signage, trees and landscaping, and paving.	$140,000	CDBG
Sacramento Chinese Community Center Rehabilitation (District 4): Provides funding to be used to rehabilitate a new or existing Sacramento Chinese Community Service Center in the Southside Park neighborhood. The rehabilitation will allow for expanded meeting space and services to area residents. An additional $306,000 was allocated to this project in 2004 and 2005.	$140,000	CDBG
Colonial Heights Sidewalk Improvements (District 5): Construction of pedestrian improvements in residential area, including curb, gutter, sidewalks, street pavement, trees and landscaping, and associated minor drainage improvements. Precise location to be scoped within funding parameters; project vicinity is 50th, 52nd and 53rd between 14th and 15th Streets. An additional $451,000 was allocated to this project in 2002 and 2005.	$265,000	CDBG
Tahoe Park Streetlights (District 6): Provides for streetlight improvements in the Tahoe Park neighborhood bounded by 53rd Street, 14th Avenue, 57th Street, and Sierra Avenue.	$342,649	CDBG

Dreamstreet (District 8): Provides funding to be used for Rebuilding Together's Dreamstreet program in Council District 8 for volunteer coordination. The Dreamstreet program utilizes volunteer labor to make improvements to low-income homeowner's property and includes painting, installing fences, repairing roofs, landscaping, and many other kinds of home repair and safety modification activities.	$75,000	CDBG
Florin Road Median Improvements (District 8): Provides funds for median improvements, including curb, street pavement, trees, landscaping, irrigation, and associated minor drainage improvements at the intersection of Florin Road and Tamoshanter Way.	$75,000	CDBG
Matson Drive Sidewalk Improvements (District 8): Construction of pedestrian improvements in residential area, including curb, gutter, and sidewalks on Matson Drive between Henrietta Drive and Sylvia Way.	$40,000	CDBG
Public Improvements Delivery: Supportive services for capital improvement projects in 2007.	$172,298	CDBG
Total Infrastructure and Public Improvements	**$1,724,947**	

HOUSING DEVELOPMENT, PRESERVATION AND HOMEOWNERSHIP

The following are recommended activities to increase, improve, and preserve affordable housing opportunities.

Multi-Family Housing Acquisition and Rehabilitation: Provides loans for the acquisition and rehabilitation of low- and moderate-income multi-family housing.	$22,500 $1,437,689 $403,835	CDBG PI HOME HOME PI
Multi-Family Housing New Construction: Provides loans for the construction of multi-family housing.	$1,437,689	HOME
American Dream Downpayment Assistance Initiative Program: Provides up to $10,000 in downpayment assistance to income eligible, first-time homebuyers. ADDI funds may also be used for rehabilitation of the home in conjunction with the purchase.	$56,943	**ADDI**
Emergency Repair Program/Accessibility Grant Program (ERP-A): This program provides grants of up to $5,000 each to very-low income homeowners for emergency health and safety repairs as well as grants to low-income disabled residents for accessibility modifications.	$300,000	CDBG

First-Time Homebuyer Assistance Program: Provides up to $40,000 in down payment, closing costs, homeownership education and counseling to income eligible first-time homebuyers.	$350,000	**CDBG**
Home Assistance Repair Program for Seniors (HARPS): Provides technical assistance and referral services to senior homeowners with minor home needs, such as installation of grab bars and plumbing repairs.	$16,625	CDBG
Single-Family Rehabilitation Program: Provides rehabilitation loans up to $50,000 to owner-occupant low- and moderate-income homeowners.	$65,000	CDBG PI
Rebuilding Together: Provides for administrative costs associated with minor home repairs for low- and moderate-income homeowners.	$18,000	CDBG
City Code Enforcement: Provides funds for City code enforcement staff to address boarded and/or vacant and substandard residential properties in low- and moderate-income areas.	$250,000	CDBG
NeighborWorks, Inc. Rehabilitation and Downpayment Assistance: Provides single-family down payment assistance loans to low- and moderate-income homeowners in CDBG eligible areas.	$30,000	CDBG PI
Del Paso Nuevo: Provides for low-income single family home development through land acquisition and infrastructure improvements based on a previously approved financing plan.	$400,000	CDBG PI
Single-Family Rehabilitation, Emergency Repair/Accessibility Grant Program Delivery: Supportive services for the single-family rehabilitation, emergency repair/accessibility programs in 2007.	$201,747	CDBG
Homeownership Assistance Delivery: Supportive services for the Homeownership Program in 2007.	$103,266	CDBG
Total Housing Development, Preservation, and Homeownership	**$5,093,293**	

COMMERCIAL REVITALIZATION

The following are recommended activities to provide financial and technical assistance to revitalize distressed business communities.

Commercial Revitalization Program: The program operates as a zero-interest loan program along 65th Street Redevelopment Area and Northgate Boulevard, using CDBG funding for façade improvements and correction of code violations.	$53,500	CDBG PI
Total Commercial Revitalization	**$53,500**	

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.

DHA Emergency Shelter Program: Provides temporary housing and services for homeless persons: North A Street, Cal Expo, St. John's Shelter, and Salvation Army.	$249,563	ESG
DHA VOA Detox Facility: Provides shelter, food, tuberculosis screening, medical assessments, detoxification, counseling services, and recovery program to public inebriates and homeless.	$305,000	CDBG
DHA Lutheran Social Services: Provides child care and case management to transitional housing participants through the Building Bridges program. Operated by Lutheran Social Services.	$13,000	CDBG
DHA Senior Nutrition Program: Provides meals to homebound seniors and to non-homebound seniors at over 21 dining sites.	$225,000	CDBG
Workreation: Summer program for low- and moderate-income youth includes neighborhood beautification projects, field trips, and educational opportunities. Program administered by City Neighborhood Services.	$80,000	CDBG
Phoenix Park Resource Center: Provides funds for utility payments, resource center office expenses, and resource center staff.	$25,000	CDBG

Phoenix Park Security Services: Provides funds for security guards, police services, and security improvements.	$100,000	CDBG
InfoLine Sacramento: Provides information which links callers with organizations providing housing, transportation, health, and other services in low- and moderate-income areas.	$57,300	CDBG
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: Shasta, Sequoia, YWCA and the Marshall. The service center is located at 719 J Street.	$120,000	CDBG
MAAP: Provides intensive case management to 30 to 60 individuals participating in the Shelter Plus Care program who may be single or a member of a family, and are formerly homeless persons living with HIV/AIDS.	$80,000	HOPWA
Volunteers of America – Open Arms: Provides intensive case management to 60 individuals participating in the Shelter Plus Care program who may be single or a member of a family, and are formerly homeless persons living with HIV/AIDS.	$312,189	HOPWA
AIDS Housing Alliance – Saint Martin De Porres: Provides funds to operate an emergency shelter for homeless individuals with HIV/AIDS. Individuals are eligible for 90 days of emergency shelter including chemical dependency assessment, meals, transportation and assistance into permanent housing.	$631,900	HOPWA
Center for AIDS Research, Education and Services (CARES): Provides funds to acquire 20 housing units (one unit to serve as an operations office) to be used for permanent housing for persons living with HIV/AIDS. In addition to housing, on-site supportive services will also be provided.	$116,197	HOPWA
Placer County – Emergency Housing Assistance: Provides case management, assessment, and referral to services and housing to persons living with HIV/AIDS. Administered by Sacramento County Department of Human Assistance for Placer County.	$33,908	HOPWA
El Dorado County – Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County Department of Human Assistance for El Dorado County.	$33,908	HOPWA
United Way of Butte and Glenn Counties –Emergency Housing Assistance: Provides for short-term emergency housing assistance for persons with HIV/AIDS. Administered by Sacramento County, Department of Human Assistance for Yolo County.	$33,320	HOPWA

Total Public Services	**$2,910,535**

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.

Section 108 Loan Repayment - Del Paso Nuevo: Annual debt service payment on Section 108 loan funds used to develop infrastructure in a new neighborhood subdivision. If program income is utilized towards the debt service payment then unused funds will be utilized towards project costs. Ninth of 20 payments.	$495,631	CDBG
Section 108 Loan Repayment – Globe Mills: Annual debt service payment on Section 108 loan funds used to develop infrastructure a new senior housing development. If program income is utilized towards the debt service payment then unused funds will be utilized towards project costs. One of two payments.	$125,000	CDBG
Total Loan Repayments:	**$620,631**	

GRANT PLANNING AND ADMINISTRATION

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

DHA Administration: Administrative funding for the implementation of CDBG Detox and Senior Nutrition program activities.	$23,500	CDBG
HOPWA Administration: Administrative funding for the implementation of HOPWA program activities.	$23,108	HOPWA
Human Rights/Fair Housing Commission: Provides administrative support for fair housing activities, including investigations, referral mediation, outreach, education, and fair housing audits.	$92,903	CDBG
CDBG Pre-Planning Costs: Provides funds for long-range planning activities for CDBG-eligible projects (e.g., initial planning, cost estimates, conceptual design).	$100,000	CDBG

Sacramento Housing Alliance Fair/Affordable Housing Education: Funds to provide fair housing education and outreach including affordable housing education to various community groups. The public will be educated on fair housing law, and provided information to combat negative stereotypes about affordable housing.	$10,000	CDBG
Mercy Housing Supportive Housing Program: Provides technical assistance to social service organizations developing supportive housing for special needs groups.	$25,000	CDBG
Ten-Year Plan to End Chronic Homelessness: Administrative services for the implementation of the Plan.	$100,000	CDBG
Transit-Oriented Development Planning: Provide funds for planning costs associated with the development of transit oriented development (TOD).	$50,000	CDBG
Section 108 Custodial Accounts: Administrative costs associated with Section 108 payments and processing.	$6,000	CDBG
CDBG Planning: Project and program planning for CDBG activities in 2007.	$124,866	CDBG
CDBG Administration: Administrative services for CDBG programs in 2007.	$673,096	CDBG
HOME Program Administration: Administrative services for the implementation of HOME-funded activities in 2006.	$319,486	HOME
Total Grant Planning and Administration:	**$1,547,959**	

CDBG CAPITAL RESERVE

Capital Reserve: Fund reserve account for overruns in capital improvement activities and to fund budgeted activities in 2007 if CDBG entitlement is less than anticipated.	**$537,004**	CDBG

City of Sacramento
Amendment to 2006 Action Plan Activities

This report formally amends the 2006 Action Plan by augmenting existing and new projects with CDBG and HOPWA. These activities have been identified as those that need immediate funding. Also, these adjustments will facilitate timely expenditures as required by HUD.

INFRASTRUCTURE AND PUBLIC IMPROVEMENTS

2006 Phoenix Park Security Gates Project: Provides funding for the security gates system, including gates with openers, street improvements, utilities (power and phone line), monitors for homeowner association offices, and two poles for lighting and security cameras.	$200,000	CDBG

GRANT PLANNING AND ADMINISTRATION

2006 HOPWA Program Administration: Administrative funding for the implementation of HOPWA program activities.	$23,580	HOPWA