



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO COUNCIL
City of Sacramento
 915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Public Hearing
October 23, 2007

Honorable Mayor and
 Members of the City Council

Title: 2008-2012 City of Sacramento Consolidated Plan for the U.S. Department of Housing And Urban Development (HUD) Funded Community Development Programs

Location/Council District: Citywide

Recommendation: Adopt a **City Resolution** 1) authorizing the Executive Director or her designee to submit the 2008-2012 City of Sacramento Consolidated Plan (Plan) to HUD; and 2) adopting it as a policy to guide the investment of federal funds in the coming five years.

Contact: Lisa Bates, Deputy Executive Director, 440-1330, Gregory H. Wessel, Assistant Director, Housing and Community Development Department, 440-1346

Presenter: Gregory H. Wessel

Department: Sacramento Housing and Redevelopment Agency (SHRA)

Description/Analysis

Issue: Every five years, the U.S. Department of Housing and Urban Development (HUD) requires the City to adopt and submit a Consolidated Plan to receive Community Development Block Grant (CDBG), Home Investment Partnership (HOME), American Dream Down Payment Initiative (ADDI), Emergency Shelter Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA) funds. The Plan includes an analysis of conditions and needs of the community, particularly those of low and moderate incomes or with special housing and supportive service needs. The Plan also prioritizes community needs and proposed strategies for the use of federal funds to meet those needs. The adopted strategies will provide a basis for each subsequent year's annual application for federal funding known as the One-Year Action Plan.

2008-2012 City of Sacramento Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD) funded community development programs

In order to receive valuable citizen input regarding critical areas of need, Sacramento Housing and Redevelopment Agency (SHRA) staff launched a comprehensive outreach process for the Plan detailed in the background in Attachment 1. The Plan was made available for public comment for 30 days from September 21, 2007 to October 23, 2007. Participants in community meetings were notified by mail of its availability at SHRA's main office at 630 I Street, and on SHRA's website www.shra.org.

Policy Considerations: The actions taken to prepare the Consolidated Plan meet HUD's regulatory requirements and are consistent with governing board policies.

Environmental Considerations: The proposed action is exempt from California Environmental Quality Act (CEQA) review per CEQA Guidelines, Section 15262 and the National Environmental Policy Act (NEPA) per title 40 Code of Federal Regulations, Section 1508.4 and Title 24 Code of Federal Regulations, Section 58.34(a). All activities proposed in this report will be individually submitted for review under the requirements of CEQA and NEPA.

Committee/Commission Action: At its meeting on October 3, 2007, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYE: Burruss, Chan, Coriano, Fowler, Hoag, Shah, Stivers

NOES: None

ABSENT: Piatkowski

NOT PRESENT TO VOTE: Dean, Gore

Rationale for Recommendation: Adoption of the Plan is required by HUD in order to provide the basis for allocations of the five federal funding resources over the next five years.

Financial Considerations: The Plan provides a framework for the allocation of federal funding in the forthcoming One-Year Action Plans, budgets and reports. There are no direct financial implications in this report.

October 23, 2007

2008-2012 City of Sacramento Consolidated Plan for the U.S. Department of Housing and Urban Development (HUD) funded community development programs

M/WBE Considerations: Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding.

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:


for RAY KERRIDGE
City Manager

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Background

Every five years, federal regulations of the Department of Housing and Urban Development (HUD) require the City of Sacramento to adopt and submit a Consolidated Plan to receive CDBG, HOME, ADDI, ESG and HOPWA funds. The purpose of the Plan is to comprehensively identify local housing and community development needs and, through a community participation process, guide the allocation of available federal resources. The Plan then provides the basis for each year's submission of an annual application for federal funding known as the One-Year Action Plan.

Community Outreach Efforts

Extensive community outreach was conducted for the 2008-2012 Plan and included:

- Community Meetings
Notices of community meetings were placed in the *Sacramento Bee* and flyers were mailed to residences in the areas surrounding meeting locations. City meetings were conducted during June and August 2006 at the Oak Park, Robertson and Belle Coolidge Community Centers.
- Surveys
Surveys were available in Chinese, Vietnamese, Russian, Spanish and English. An online survey was available in English and was placed at www.Sacramento-CP-Survey.com as well as on the City of Sacramento and SHRA websites.

A total of 2,488 surveys were received and, of these, 1,339 were received from City residents.

Surveys in all languages were distributed to the following:

- Housing Authority – surveys included in recertification mail outs for the months of June through August 2006
 - City General Plan meetings
 - City Neighborhood Services community meetings
 - Redevelopment Advisory Committee (RAC) meetings
 - Mailed to more than 800 residents on SHRA mailing lists
 - Libraries and community centers
 - Local grocery stores
 - Senior Nutrition sites
 - NAACP collected 450 resident surveys
- Other input was received from:
 - City Planning, Neighborhood Services, Public Works, Utilities and Economic Development staff
 - City Council Chiefs-of-Staff
 - Economic Development focus group meeting including Sacramento Employment and Training Agency (SETA), Chambers of Commerce, Property and Business Improvement Districts (PBIDs), City Economic Development

- Service provider focus group meeting: over 130 providers were invited and 13 attended.
- Department of Human Assistance for the allocation of ESG, CDBG and HOPWA funds
- SHRA's HOME and Housing Policy staff for the allocation of CDBG and HOME funds

Outreach Results

Resident Survey results indicated that high priority community needs include crime awareness and prevention, homeownership programs, youth and senior programs, services for persons with disabilities, homeless programs, and public infrastructure/facilities improvements.

Comments received from the community meetings included the need for infrastructure and public facility improvements, affordable housing, services for special needs groups such as youth at risk of becoming homeless, seniors, and persons with disabilities, and economic development.

Outcome of the Analysis of the Priority Needs and Proposed Strategies to Address those Needs

The overall priority for these federal funds is to increase self-sufficiency and economic opportunity for low and moderate -income residents and individuals with special needs so that they can achieve self-sufficiency. This priority can be achieved through a combination of:

- Affordable housing;
- Investment in lower-income and deteriorating neighborhoods and in facilities that serve lower-income populations;
- Supportive services to maintain independence; and
- Education and technical skills that allow individuals to obtain jobs.

The Plan requires the City to specifically address needs in the following three areas: housing, homelessness, and community development. In response to these need areas, it is proposed that the Plan concentrate on the following:

Housing Needs and Actions

Housing costs have risen over the past consolidated planning period impacting both rental markets and homeownership. HUD and regulatory requirements are restricted to assist households with incomes at 80 percent of the County median income or lower. Given the current market conditions, as well as funding restrictions, the City is continuing to focus its CDBG, HOME and ADDI funds to support activities across the housing spectrum seeking to increase and improve multi-family housing stock, provide first-time homebuyer financing, rehabilitate existing single-family housing, and provide code enforcement and fair housing.

Homelessness Needs and Actions

The priorities for ending homelessness are based on the recognition that homelessness results from more than just a lack of affordable housing. The Sacramento County Department of Human Assistance (DHA) will continue to utilize CDBG, ESG, and HOPWA to help fund programs along with the entire Continuum of Care to increase the capacity in emergency shelters, provide transitional housing, and provide permanent supportive housing. DHA has identified the following strategies for addressing homeless needs:

- Create new permanent housing for chronically homeless persons as part of the Ten-Year Plan to End Chronic Homelessness;
- Increase the percentage of homeless persons in permanent supportive housing;
- Increase the percentage of persons moving from transitional housing to permanent housing;
- Continue to help the homeless find employment;
- Provide transition from the streets or shelters directly into permanent supportive housing; and
- Provide treatment for individuals with chronic substance abuse problems preventing them from obtaining and maintaining permanent housing;

Community Development Needs and Actions

Based upon outreach efforts, the following community development needs were determined to have a high priority and will be an emphasis of CDBG funding:

- Improvements to neighborhood facilities;
- Improvements to parks and recreation facilities;
- Youth, senior, and homeless services (funding cap: 15 percent of annual funding);
- Fair housing activities;
- Handicapped accessibility improvements.

Consolidated Plan Strategy

The Consolidated Plan recommends the following strategies for the next five years. These are based on community input, needs analysis provided by various agencies and the housing and community needs assessment. These recommendations are also based on efforts to stretch funding and to the extent possible, use it to meet multiple needs simultaneously.

- **Housing Strategy**
HOME and ADDI funding will be spent on increasing the supply of affordable rental housing (substantial rehabilitation and new construction), while continuing homeowner assistance programs. CDBG funding will focus on housing preservation through code enforcement and affirmatively furthering fair housing.

- **Homeless Strategy**
ESG funds will be used to provide homeless facilities and services complementing the County's overall effort to provide a Continuum of Care for the homeless using Supportive Housing Grants and competitive funding sources.
- **Community Development Strategy**
The Consolidated Plan proposes that public infrastructure funds be focused strategically on fewer, but larger projects in low- and moderate- income neighborhoods. The goal is to create a concentration of activity for strategic and visible impacts that deliver greater efficiencies and effectuate positive changes within the community.

Community services ranked high in the citizen outreach process; however, discretionary funding from CDBG for these services is limited to 15 percent of the entitlement funding. Other funding categories may be strategically used to meet multiple needs identified under community services. One example is the Emergency Repair and Accessibility Grant Program (ERP-A). It is a housing activity but also serves many disabled and elderly individuals whose needs are specifically identified within the needs study. Furthermore, a public facility or public improvement can sometimes be used to benefit special populations such as a community center serving seniors and youth. Likewise, infrastructure funding can be used for accessibility improvements meeting special needs and those of the broader community.

Consolidated Plan activities will be aligned strategically with the existing City General Plan vision and guiding principles, adopted by the City Council on November 22, 2005. The Consolidated Plan also used other adopted policies as guiding principles for investment in housing and public infrastructure and community facilities. Other documents considered include the City Strategic Plan, Area Community Plans, the City Parks and Recreation Master Plan, the Five-Year Capital Improvement Program, Redevelopment Plans and the 2003 Housing Element. The technical reports to the City General Plan update were also consulted, as well as Smart Growth and transit-oriented development (TOD) principles.

RESOLUTION NO. 2007 -

Adopted by the Sacramento City Council

on date of

2008-2012 CONSOLIDATED PLAN FOR 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 PROGRAMS (HOPWA)

BACKGROUND

- A. The Department of Housing and Urban Development (HUD) requires a five-year Consolidated Plan (Plan) for jurisdictions receiving 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 Consolidated Plan identifies the City's housing and community development needs and describes a long-term strategy for meeting those needs.
- C. A noticed public hearing soliciting comments on the needs, strategies, programs and projects proposed in the Plan was held by the City Council on October 23, 2007.

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

- Section 1. The 2008-2012 Consolidated Plan is adopted as a policy to guide the investment of federal funds.
- Section 2. The Sacramento Housing and Redevelopment Agency is authorized to submit the 2008-2012 Consolidated Plan to the U.S. Department of Housing and Urban Development.