



**REPORT TO CITY COUNCIL
AND HOUSING AUTHORITY**
City of Sacramento
915 I Street, Sacramento, CA 95814
www.CityofSacramento.org

STAFF REPORT
August 2, 2005

Honorable Mayor and
Members of the City Council:

Subject: Property acquisition, relocation plan and budget items for Greenfair

Location/Council District: Greenfair Property, Broadway and Fairgrounds Drive
(District 5)

City Council Recommendation:

Adopt a Resolution 1) expanding the purchase authority of Home Investment Partnership Program (HOME) funds previously committed; 2) amending the Agency budget to transfer an additional \$931,000 from the HOME Loan Fund to the Greenfair project; and 3) amending the existing loan with the Housing Authority to change the limitations on use of funds and increase the amount of funding accordingly.

Housing Authority Recommendation:

Adopt a Resolution (1) approving an amendment to the existing loan with the Sacramento Housing and Redevelopment Agency; 2) approving the relocation plan for four properties at Greenfair; and 3) authorizing the purchase of the four "remainder" units at Greenfair at prices not to substantially exceed just compensation and demolition of eleven standing units.

Contact Darren Bobrowsky, Director of Development Services, 440-1310
Emily Halcon, Housing Finance Analyst, 440-1399, ext.1420

Presenters: Darren Bobrowsky, Director of Development Services, SHRA
Emily Halcon, Housing Finance Analyst, SHRA

Department: Sacramento Housing and Redevelopment Agency (SHRA)

Division: Development Services

Organization No: Not Applicable

Summary:

The actions recommended in this report will provide the authority to carry out all actions necessary to purchase the four “remainder” properties included in the original U.S. Department of Housing and Urban Development (HUD) buyout at Greenfair. To facilitate these purchases, the report requests approval of an additional \$931,000 HOME loan funding for the acquisition and relocation of residents associated with these purchases. In addition, the report seeks approval of the relocation plan for the residents of these four properties, pursuant to state and federal relocation law. Purchase of these four homes will complete the acquisitions necessary for the Sacramento Housing and Redevelopment Agency’s (“Agency”) redevelopment strategy at Greenfair.

Commission Action:

At its meeting July 20, 2005, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

- AYES: Burns, Burruss, Coriano, Fowler, Gale, Hoag, Piatkowski, Shah, Simon, Stivers
- NOES: None.
- ABSENT: Gore.

Background Information:

History of Greenfair

The Greenfair development is located on approximately 30 acres on the north side of Broadway at Fairgrounds Drive. The project was originally developed in the early 1970s under the U.S. Department of Housing and Urban Development (HUD) Operation Breakthrough program which used experimental housing materials and techniques to produce housing for all income levels. Six different builders were involved in the construction of the homes, all of which have had major structural failures except the senior units and the 45 Christiana Western townhome units.

Beginning in 1997, in response to the ongoing failures of the units, HUD began extending purchase offers to all the owners of the non-senior housing except the 45 Christiana Western units. HUD was successful in the acquisition of 152 parcels containing 148 single family units and four three-plex apartment buildings, for a total of 160 residential units. In August of 2004, the Agency entered into a purchase contract with HUD for the 152 parcels. The sale of the land was completed in September 2004. Since this original purchase, the Agency has purchased two additional properties from private homeowners, bringing the Agency total holding to 154 parcels.

Attachments I, II, and III are maps showing the vicinity of Greenfair site in the City of Sacramento, showing the immediate neighborhood amenities surrounding Greenfair and showing the Greenfair site and ownership status, respectively.

Current Agency Activities

Since the initial purchases, the Agency has been actively working on a redevelopment strategy at Greenfair. In addition to purchasing two additional properties, the Agency participates in the Greenfair Homeowners Association ("HOA"), completed a community visioning process on design and site layout for the new development, and on June 3, 2005, released a Request for Qualification ("RFQ") to seek a development team to carry out the redevelopment of the site. The RFQ anticipates a redevelopment project that includes between 200 and 400 new homes built on the former Greenfair site.

Paramount to the success of the Greenfair redevelopment is the inclusion of the four remainder units, shown in Exhibit B to the Housing Authority resolution. Without these units the redevelopment of Greenfair is greatly limited. These four properties were considered "experimental" by HUD and homeowners were given purchase offers from HUD based on the experimental nature of the properties. The four homeowners of these units did not accept HUD's offer, and their units remain standing and occupied today.

The Agency is requesting authority to purchase these final four "remainder" units for not substantially more than just compensation, as determined by an independent appraiser. Residents of the properties have been contacted by Agency staff, an Agency contracted independent appraiser, and a relocation specialist regarding the Agency's intent to purchase their units. The Agency is also requesting authority to demolish these four "remainder" units as well as nine additional vacant units on Agency owned property.

Relocation Plan

The Relocation Plan included as Exhibit A to the Housing Authority resolution was prepared to conform to statutes and regulations outlined in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, the California Relocation Assistance Law, and the California Relocation Assistance and Real Property Acquisition Guidelines for residential displacement.

The Relocation Plan provides the results of a Needs Assessment Survey, a Housing Resource Study, and details of the proposed permanent relocation program for up to four families. All four of the homes are currently occupied by owner-occupants. Relocation benefits include moving expenses and either rental assistance payments for owner occupants who elect to rent a replacement home or replacement housing payments for owner occupants who purchase another residence.

All displaced owners will receive a 90-day notice to vacate before they are required to move. All relocation is expected to be completed for all households during the spring of 2006.

The Relocation Plan has been circulated for a 30 day review by the affected occupants, and a copy has been provided to the Greenfair Homeowner's Association for general review by any interested resident.

Financial Considerations:

The following chart shows funding allocation to the Greenfair project, including the current request of \$931,000, expenditures to date and total funding currently available by activity type.

	TOTAL FUNDING AVAILABLE TO GREENFAIR DEVELOPMENT				
	Acquisition	Holding	Relocation	Demolition	Total
Previously Approved	\$1,200,000	\$450,000	\$0	\$250,000	\$1,900,000
Expended to Date	(\$456,000)	(\$179,595)	\$0	\$0	(\$635,595)
Remaining Funds	\$744,000	\$270,405	\$0	\$250,000	\$1,264,405
Requested in this Report	\$256,000	\$250,000	\$425,000	\$0	\$931,000
Total Currently Available	\$1,000,000	\$520,405	\$425,000	\$250,000	\$2,195,405

In the August 2004 and May 2005 staff reports, a total of \$450,000 was allocated for "holding" costs associated with the ownership of the property, including the payment of HOA dues, maintenance, and outside contracts necessary to further the redevelopment activities. Acquisition of these four units will require payment of an additional \$355 in HOA dues monthly, or \$4,263 annually. The remaining \$270,405 "holding" cost funds currently allocated plus the recommended additional \$250,000 are expected to pay HOA dues and other incidental expenses on all properties, including these additional four, for approximately two years. After two years, the Agency may return for additional funding for holding costs, dependent on the status of the negotiations with the selected development team.

In the March 2005 staff report, \$1,200,000 was allocated for acquisition of the six "remainder" units by voluntary sale. Presumptions of acquisition costs were based on recent sales and not on full property appraisals. The Agency was able to acquire two of the properties under this authority, although sales prices were substantially more than initially estimated. Current acquisition estimates are based on independent appraisals plus an allowance for customary closing costs. Staff is recommending that the \$744,000 of funds remaining for voluntary acquisitions be broadened to allow the Agency to use these funds to purchase the four remainder units at prices not to substantially exceeding just compensation. An additional \$256,000 will be added to the existing acquisition funds for a total of \$1,000,000 allocated for this activity.

Staff recommends an additional loan of \$931,000 be made at this time. Of this amount, \$256,000 will be added to the remaining funds for acquisition of the last four units, \$250,000 will be allocated for on-going holding costs over the next two years and \$425,000 will be allocated for relocation costs.

Staff recommends adding the proposed \$931,000 of City HOME funds to the existing \$1,900,000 HOME and Housing Trust Fund loan to the Housing Authority for the Greenfair project. The promissory note, loan agreement and regulatory agreement for

the existing loan will be increased by \$931,000, and amended to allow the use of unexpended existing loan funds to acquire the additional four properties, pay relocation costs and abate and demolish the eleven standing units. The updated \$2,831,000 loan carries a zero percent interest rate with no payments due for five years from the initial disbursement date. It is expected that the eventual sale of the property will allow for repayment of this loan.

Environmental Considerations:

Once the scope of development for all of the Greenfair property has been defined, environmental review of the proposed project will be conducted. Acquisition of existing residences does not commit the Agency to proceed with a redevelopment project. Acquisition of land with subsequent environmental review conducted before the Agency is committed to a definite course of action for a future development project is authorized under CEQA pursuant to *Stand Tall on Principles vs. Shasta Union* (235 Cal App 3rd 772).

The actions approved in this report to acquire and demolish the four structures are exempt under the CEQA Guidelines Section 15301(l). Under NEPA, acquisition of individual residences where the structures will be used for the same purpose or demolished is exempt from environmental review under 24 CFR Section 58.35(a)(5).

Policy Considerations:

The actions recommended in the report are consistent with the on-going City and Agency goals for the redevelopment of Greenfair. In the May 31, 2005 staff report authorizing the Agency to release the RFQ for the development site staff indicated that they would return to the City with just compensation resolutions and a relocation plan to purchase any outstanding "remainder" units. The actions recommended in this report allow the Agency to carry out these plans to further the overall redevelopment goals at Greenfair.

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,


ANNE M. MOORE
Executive Director

Transmittal approved,

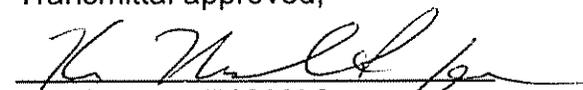
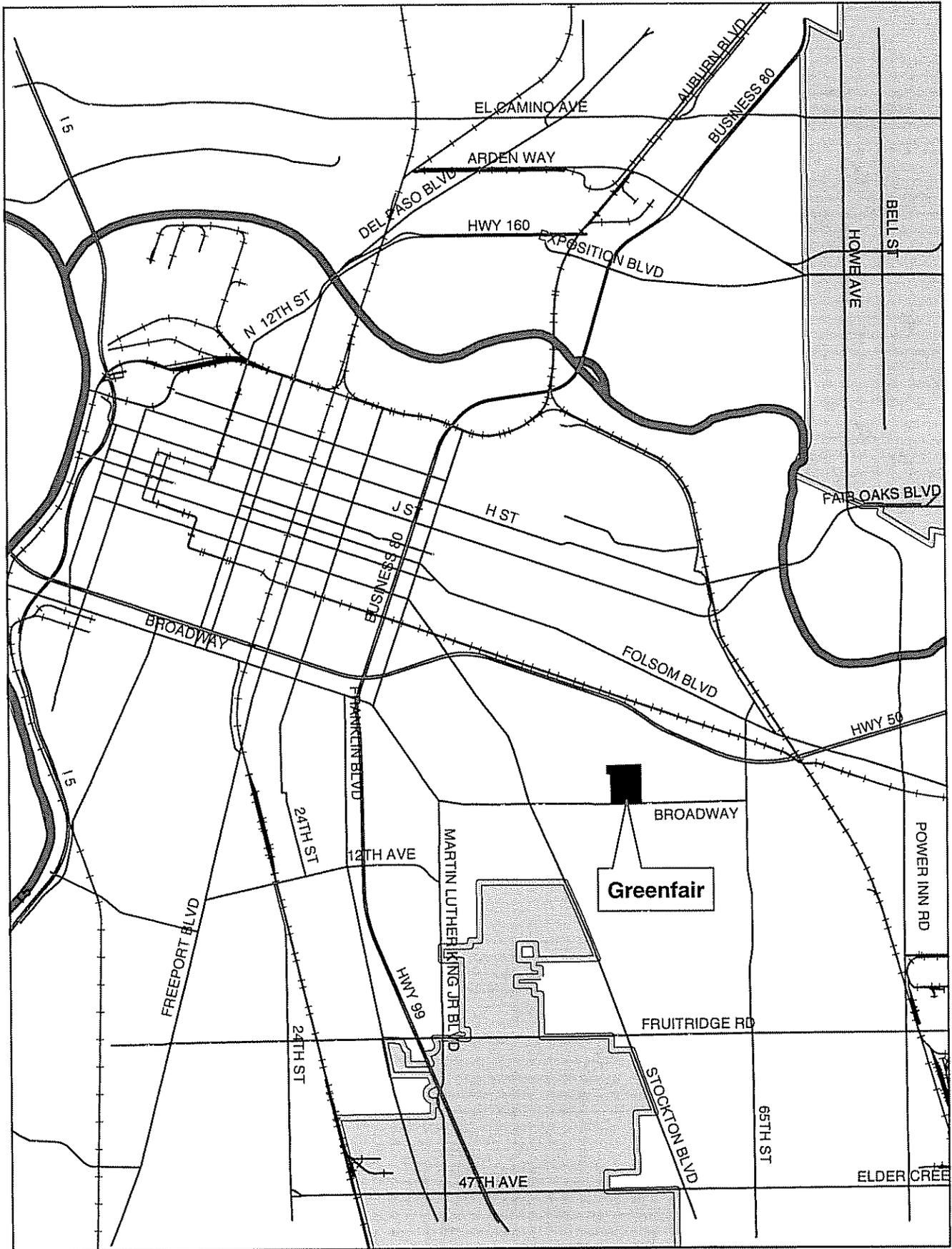

ROBERT P. THOMAS
City Manager

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35	Exhibit B -- Relocation Map

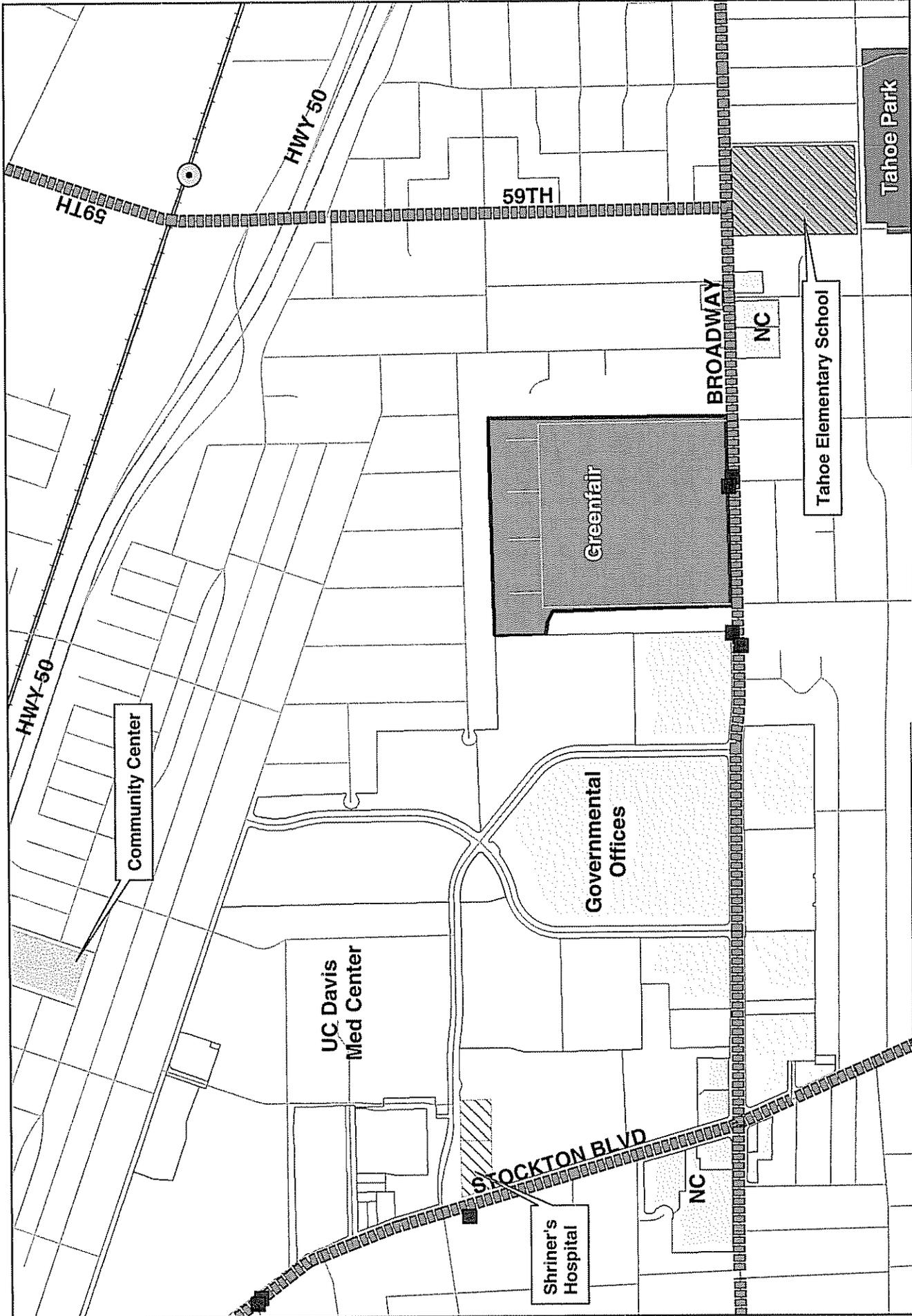


Greenfair Vicinity Map



Legend

- Greenfair Site
- City Of Sacramento
- County of Sacramento
- Rivers
- Railways



Legend

- Bus Route
- Light Rail Stops
- Light Rail
- Major Bus Stops
- NC = Neighborhood Commercial



Greenfair Area Map

0 270 540 1,080 1,620 2,160 Feet

Map of Greenfair



Legend

 SHRA Owned Vacant Land	 Senior Garden Apartments	 Greenfair HOA Community Room
 SHRA Owned Vacant Buildings	 Senior High Rise	 HOA Owned Land
 Christiana Western Townhomes	 RemainderTownhomes	

RESOLUTION NO. _____

Adopted by the Sacramento City Council

GREENFAIR PROJECT: APPROVAL OF \$931,000 LOAN; EXECUTION OF LOAN AGREEMENT AND RELATED DOCUMENTS WITH THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO; RELATED BUDGET AMENDMENT

BACKGROUND

- A. In August 2004, the Housing Authority of the City of Sacramento ("Authority") purchased 152 vacant buildings and parcels from the US Department of Housing and Urban Development at the former Greenfair site, which it intends to transfer to a qualified development team as a part of a larger redevelopment strategy.
- B. In March 2005, the City Council approved the allocation of \$1,200,000 in City Home Investment Partnership Program (HOME) funds to the Authority for its purchase of up to six remainder units (7 Fiesta Court, 253, 289, 293, 313 and 687 Fairgrounds Drive) at the Greenfair site.
- C. In March and May 2005, the Housing Authority purchased two of these properties (7 Fiesta Court and 687 Fairgrounds Drive) using approximately \$456,000 of this funding, bringing the total Authority holding to 154 parcels. After these purchases, approximately \$744,000 of this original property acquisition loan remains outstanding.
- D. In May 2005, the City Council of the City of Sacramento approved the release of a Request for Qualifications to seek a development team to purchase, design and develop a new housing development on the former Greenfair site.
- E. The Housing Authority desires to acquire the four remaining units (253, 289, 293 and 313 Fairgrounds Drive) and demolish eleven standing units using the outstanding \$744,000 from the original loan and an additional \$931,000 in City HOME funding in order to redevelop the Greenfair site to provide affordable homeownership housing, which is consistent with HUD's HOME program.

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

- Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action are approved.
- Section 2. Sacramento Housing and Redevelopment Agency ("SHRA") is authorized to amend the Agency Budget to decrease the HOME Loan Fund by \$931,000 and to allocate those funds to the Greenfair project.
- Section 3. The SHRA is authorized to execute loan documents for a \$931,000 loan with the Housing Authority of the City of Sacramento to fund the Authority's purchase of 253 Fairgrounds Drive, 289 Fairgrounds Drive, 293 Fairgrounds Drive and 313 Fairgrounds Drive, relocation of current residents and demolition of eleven standing units.

RESOLUTION NO. _____

Adopted by the Housing Authority of the City of Sacramento

GREENFAIR PROJECT: ESTABLISHMENT OF JUST COMPENSATION FOR FOUR PARCELS AND APPROVAL OF LOAN AMENDMENT TO EXPAND PURCHASE AUTHORITY AND INCREASE LOAN AMOUNT BY \$931,000 WITH THE SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

BACKGROUND

- A. In August of 2004, the Housing Authority of the City of Sacramento ("Authority") purchased 152 vacant buildings and parcels from the US Department of Housing and Urban Development at the former Greenfair site.
- B. In March 2005, the City Council approved the allocation of \$1,200,000 in City Home Investment Partnership Program (HOME) funds to the Authority for its purchase of up to six remainder units (7 Fiesta Court, 253, 289, 293, 313 and 687 Fairgrounds Drive) at the Greenfair site.
- C. In March and May 2005, the Authority purchased two of these properties (7 Fiesta Court and 687 Fairgrounds Drive) using approximately \$456,000 of this funding, bringing the total Authority holding to 154 parcels. After these purchases, approximately \$744,000 of this original property acquisition loan remains outstanding.
- D. In May 2005, the City Council of the City of Sacramento approved the release of a Request for Qualifications to seek a development team to purchase, design and develop a new housing development on the former Greenfair site.
- E. The Authority desires to acquire the four remaining units (253, 289, 293 and 313 Fairgrounds Drive) and demolish eleven standing units using the outstanding \$744,000 from the original loan and an additional \$931,000 in City HOME funding in order to redevelop the Greenfair site to provide affordable homeownership housing, which is consistent with HUD's HOME program.

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

- Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action are approved.
- Section 2. The Executive Director of the Authority is authorized to enter into an amendment to the existing Loan Agreement with the Sacramento Housing and Redevelopment Agency to modify the existing Loan terms to allow for use of the remaining \$744,000 Loan proceeds and increase the Loan amount by an additional \$931,000 in HOME funds for the purchase of 253, 289, 293 and 313 Fairgrounds Drive.
- Section 3. The Greenfair Relocation Assistance Plan provided as Exhibit A to this resolution is approved.

Section 4. The Executive Director of the Authority is authorized to take all actions and enter into all agreements as may be reasonably necessary to purchase, for not substantially more than just compensation, the following properties, which are depicted in Exhibit B:

<u>ADDRESS:</u>	<u>ASSESSOR PARCEL NUMBER:</u>
253 Fairgrounds Drive	011-0340-035-0000
289 Fairgrounds Drive	011-0340-014-0000
293 Fairgrounds Drive	011-0340-013-0000
313 Fairgrounds Drive	011-0340-005-0000

Section 5. Just compensation for the foregoing properties is the fair market value as determined by independent appraisal prepared by an appraiser that is a qualified Member of the Appraisal Institute.

Section 6. The Executive Director of the Authority is authorized to expend the HOME Loan proceeds to acquire the foregoing properties and carry out related actions, including payment of relocation expenses.

Section 7. The Executive Director of the Authority is authorized to expend the HOME Loan proceeds to abate and demolish standing units on Authority owned property.

Table of Contents:

Exhibit A: Greenfair Relocation Assistance Plan – 21 pages

Exhibit B: Map of properties to be purchased – 1 page



**RELOCATION ASSISTANCE PLAN
FOR THE GREENFAIR DEVELOPMENT
PROJECT**

SACRAMENTO, CALIFORNIA

PREPARED FOR THE

HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

**630 I STREET
SACRAMENTO CA 95814**

By

OVERLAND, PACIFIC & CUTLER, INC.
8950 CAL CENTER DRIVE, SUITE 102
SACRAMENTO, CA 95826
(916) 857-1520

June 2005

INTRODUCTION

The Greenfair Development Project (Project) is located on approximately 30 acres on the north side of Broadway at Fairgrounds Drive (see **Attachment 1**). The project was originally developed in the early 1970s under the US Department of Housing and Urban Development (HUD) Operation Breakthrough program which used experimental housing materials and techniques to produce housing for all income levels. The project originally included 192 senior high rise and low rise apartments, 12 family garden apartments, 20 single family detached homes and 183 attached town-home units. Six different builders were involved in the construction of the homes, all of which have had major structural failures except the senior units and the 45 Christiana Western town-home units.

Beginning in 1997, in response to the ongoing failures of the units, HUD began extending purchase offers to all the owners of the non-senior housing except the 45 Christiana Western units. HUD was successful in the acquisition of 152 parcels containing 148 single family units and four three-plex apartment buildings, for a total of 160 residential units. In August of 2004, the Housing Authority of the City of Sacramento ("Agency") entered into a purchase contract with HUD for the 152 vacant lots and buildings. The sale of the land was completed in September 2004.

At the direction of the City Council, the Agency has begun a redevelopment strategy at Greenfair, which includes multiple components, including participation in the Greenfair HOA, completing a community visioning process for the redevelopment, and purchasing of additional "remainder units". In February, 2005, the Agency received authority from the City Council to purchase any of the six remaining units that were not purchased by HUD as they come up for sale on the open market. On April 1, 2005, the Agency purchased 7 Fiesta Court, the last remaining single family detached unit, and on May 20, 2005, the Agency purchased 687 Fairgrounds Drive.

On June 3, 2005, the Agency released a Request for Qualifications to select a development team to redevelop Greenfair. The RFQ seeks a development team to design, plan, develop and sell new homes at Greenfair and includes the following parameters:

- The new development should include between 200 and 400 new residential units;
- The new development should be exclusively homeownership, except the parcel immediately to the south of the existing senior tower which may be built as senior rental units; and
- The new development should contain at least 20 percent of the homeownership units for low income households.

RELOCATION PLAN

This Relocation Plan has been prepared in accordance with the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (Uniform Act), and the California Relocation Assistance Law, California Government Code, Section 7260 et. seq., the California Code of Regulations, Title 25, Chapter 6; Relocation Assistance and Real Property Acquisition, as amended January 01, 1998.

No displacement activities will take place prior to the required reviews and approval of this Plan. In order to attain its overall development goals for the Project, it is the Agency's intention to provide a fair and equitable relocation program for all eligible Project displacees.

A. METHODOLOGY AND ASSESSMENT OF NEEDS

To obtain information necessary for the preparation of this Plan, a personal interview was conducted with the Project occupants in May 2005. All 4 of the households impacted by the Project were willing to provide information.

Inquiries made of the residential occupants included household size and composition, ages of occupants, mortgage terms and conditions, income information, length and type of occupancy, ethnicity, language first spoken in the home, disabilities/health problems, and preferences related to replacement housing and location. All information of a statistical nature supplied by the occupants was anecdotal and not validated by documentary evidence that otherwise would be required to comply with relocation qualifying criteria.

B. FIELD SURVEY DATA - ASSESSMENT OF NEEDS

All 4 of the displacement dwellings are owner-occupied. All 4 of the households surveyed reside in town-homes.

All information of a statistical nature supplied by the household was anecdotal and not validated by documentary evidence that otherwise would be required to comply with relocation qualifying criteria. The table below shows some of the household characteristics and needs of the 4 households surveyed.

Composition Adults/Children (Ages of Children)	Current Bedrooms	Bedrooms Needed	Elderly/ Physically Disabled	Language
(2) (0)	4	4	No/No	English
(1) (0)	4	4	Yes/No	English
(2) (2) 15, 8	4	4	Yes/No	English
(2) (1) 7	4	4	No/No	English

The table in **Attachment 2** shows the most current income limits for the “very low”, “lower”, “moderate” and “median” income categories as established for the year 2005 by HUD for Sacramento County. According to HUD’s current income limits, two of the households surveyed are considered median income, one household is considered lower income and one is very low income.

C. PROJECT OCCUPANCY/OVERCROWDING

For purposes of determining whether overcrowding conditions exist, an occupancy standard of two persons per sleeping room plus one person in a non-sleeping room was utilized. Based on that Occupancy Standard, no overcrowding was reported.

D. REPLACEMENT HOUSING RESOURCES

One of the primary purposes of a Relocation Plan is to demonstrate the availability of comparable, affordable, decent, safe and sanitary housing prior to the displacement of residential occupants. In order to adequately relocate the Project households 4 – four-bedroom dwelling units will be required.

A housing survey was made during the first two weeks in May 2005 to identify available comparable, decent, safe and sanitary units available for sale or rent in close proximity to the Project site. Based on the results of that survey, it appears that comparable replacement dwelling units will be available during the relocation period to meet the potential needs of the households who will be permanently displaced. However, the real estate market in Sacramento and adjacent communities is expected to continue to be very tight during the relocation period. Attached as **Attachment 3** is a copy of the resource study showing the number of available units and the range of purchase prices.

E. CONCURRENT RESIDENTIAL DISPLACEMENT

Based on the needs of the Project, there is no concurrent displacement which may impact upon the ability to relocate the displaced households.

F. TEMPORARY HOUSING

There is no anticipated need for temporary housing. Should such a need arise, Agency will respond appropriately and in conformance with all applicable laws and requirements.

G. PROGRAM ASSURANCES AND STANDARDS

Adequate funds are available to relocate the households. Relocation assistance services will be provided to ensure that displacement does not result in different or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act, and the Unruh Act, as well as any other arbitrary or unlawful discrimination.

No one will be permanently displaced without 90 days advance written notice and unless “comparable” replacement housing can be made available. “Comparable” housing includes standards such as: decent, safe, and sanitary, comparable as to the number of bedrooms, living space, and type and quality of construction of the acquired unit but not lesser in rooms or living space than necessary to accommodate the displaced household; in an area that does not have unreasonable environmental conditions; not generally less desirable than the acquired unit with respect to location to schools, employment, health and medical facilities, and other public and commercial facilities and services; and within the financial means of the displaced household.

The relocation program to be implemented by the Agency conforms with the standards and provisions set forth under the Uniform Act and implementing regulations at 49 CFR Part 24 as well as the HUD guidelines, 24 CFR Part 92 and California Code of Regulations at Title 25, Chapter 6.

H. RELOCATION ASSISTANCE PROGRAM

OPC staff is available to assist any displaced household with questions about relocation and/or assistance in relocating. Relocation staff can be contacted at (916) 857-1520 from 9:00 a.m. to 5:00 p.m. Monday through Friday. A comprehensive relocation assistance program, with technical and advisory assistance, will be provided to the households being permanently displaced. Close personal contact will be maintained with each household. Specific activities will include:

1. Distribution of informational notices. **Attachment 4** contains a sample of the informational notice that will be given to displaced households.
2. Timely referrals to at least three comparable replacement units as defined above. Transportation to inspect potential replacement units will be offered to each household.
3. Assistance with completion and filing of relocation claims, rental applications, and appeals forms, if necessary.

I. CITIZEN PARTICIPATION/PLAN REVIEW

This Plan will be made available to each household and to the public for the mandatory thirty (30) day review period. Comments to this Plan, if any, will be included as a Plan addendum prior to submission to Agency for final approval.

J. RELOCATION BENEFIT CATEGORIES

Permanent relocation benefits will be paid upon submission of required claim forms and documentation in accordance with approved procedures. Last resort housing payments will be made in installments unless the household chooses to purchase a home. The Agency will provide appropriate benefits for each displaced household as required by the above laws and requirements.

Residential Moving Expense Payments

The subject households will be eligible to receive a payment for moving expenses. Payments will be determined based on the cost of one, or a combination of the following methods:

- 1) Commercial Move - a move performed by a professional mover. Displaced occupants may elect to have a licensed, professional mover perform the move; if so, the Agency will pay for the actual cost of the move up to 50 miles and all reasonable charges for packing, unpacking, insurance, and utility connection charges. The payment will be made directly to the mover or as reimbursement to the displaced household with proper supporting documentation. Utility reconnections include gas, water, electricity, and telephone.
- 2) Self Move - Displaced occupants may perform a self-move in one or a combination of the following methods:
 - a) Fixed Residential Moving Cost Schedule - based on the number of rooms containing furniture or other personal property to be moved. The fixed moving payment will be determined according to the most recent Fixed Residential Moving Cost Schedule approved by the Federal Highway Administration.
 - b) Actual cost move - supported by receipted bills for labor and equipment. Hourly labor rates and equipment rental fees may not exceed the cost paid by a commercial mover.

Replacement Housing Payments For Owner Occupants

It is anticipated that 4 homeowners will be displaced by this Project. Eligible homeowners who have owned and occupied the displacement dwelling for not less than 180 days immediately prior to Agency's first written offer to purchase the property which the homeowner occupies may be eligible for both Replacement Housing Payments and Moving Expense Payments.

Displaced homeowner households will receive assistance in locating a comparable replacement dwelling and may be eligible for a Replacement Housing Payment, not to exceed \$22,500, which includes the sum of the following:

1. Purchase Price Differential - the amount by which the cost of a comparable replacement dwelling exceeds the acquisition cost of the displacement dwelling. On a case-by-case basis, Agency will determine the price of a comparable replacement unit, which is most representative of the acquired dwelling, by selecting and considering the listing price of at least three (whenever possible) comparable replacement units. If the actual purchase price of the replacement dwelling is **more** than the comparable dwelling, the Purchase Price Differential would still be based on the selected comparable dwelling.
2. Mortgage Interest Differential Payment - the increased interest costs and other debt service costs which are incurred in connection with the mortgage(s) on the replacement dwelling:
3. Incidental Expenses - those reasonable and necessary one-time costs actually incurred by the displaced homeowner incidental to the purchase of a replacement dwelling and customarily paid by the buyer, such as escrow costs, and recording and credit reporting fees.

Rental Assistance Option for Homeowners:

An owner-occupant, who could be eligible for a Replacement Housing Payment, but elects to rent a replacement dwelling, will be eligible for a rental assistance payment. The payment would be based on a determination of market rent by Agency for the displacement dwelling compared to a comparable rental dwelling available on the market. The rental assistance payment may not exceed the amount of the Replacement Housing Payment that the homeowner would have received if the homeowner elected to purchase and occupy a comparable replacement dwelling.

Last Resort Housing Payments - Owners

There is adequate “comparable replacement housing” available to meet the needs of Project occupants, according to the attached housing survey (**Attachment 3**). However, a combination of factors, including the cost of replacement dwellings, **will create the need for last resort housing**.

A displaced person is entitled to Last Resort Housing assistance when, in a single residential case, the computed total of rental assistance eligibility exceeds \$5,250 or the replacement housing payment exceeds \$22,500. This type of situation is likely to develop among low-income or large families or in environments where project area rents are particularly low, or where property values for the displacement dwellings are significantly lower than the comparable replacement dwellings.

K. PAYMENT OF RELOCATION BENEFITS

Relocation benefit payments will be made expeditiously. Claims and supporting documentation for relocation benefits must be filed with Agency within eighteen (18) months from the date the claimant moves from the displacement property. Procedures for preparing and filing of claims and processing and delivering of payments are attached as **Attachment 5**.

No household will be displaced until “comparable” housing is located as defined above. Relocation staff will inspect any replacement units to which referrals are made to verify that they meet all the standards of decent, safe, and sanitary as defined in Section 24.2 (a) (8) of the Uniform Act. No household will be entitled to a rental assistance or replacement housing payment if it chooses to move to a replacement unit which does not meet the standards of decent, safe, and sanitary housing.

L. EVICTION POLICY

The Agency recognizes that eviction is permissible only as a last resort and that relocation records must be documented to reflect the specific circumstances surrounding any eviction. Eviction will only take place in cases of nonpayment of rent, serious violation of the rental agreement, a dangerous or illegal act in the unit, or if the household refuses all reasonable offers to move.

M. APPEALS POLICY

The appeals policy will follow the standards described in section 24.10 of the Uniform Act. Briefly stated, the displaced household will have the right to ask for review when there is a complaint regarding any of its rights to relocation and relocation assistance, such as a determination as to eligibility, the amount of payment, or the failure to provide a comparable replacement housing referral.

N. PROJECTED DATES OF DISPLACEMENT

All displaced occupants will receive a 90 day notice to vacate before they are required to move. All relocation is expected to be completed for all households during the spring of 2006.

O. ESTIMATED RELOCATION COSTS

The estimate of relocation payments is as follows:

Replacement Housing Payments - 4 Households	\$400,000.00
Moving Expenses - 4 Households	\$7,600.00
TOTAL	\$407,600.00

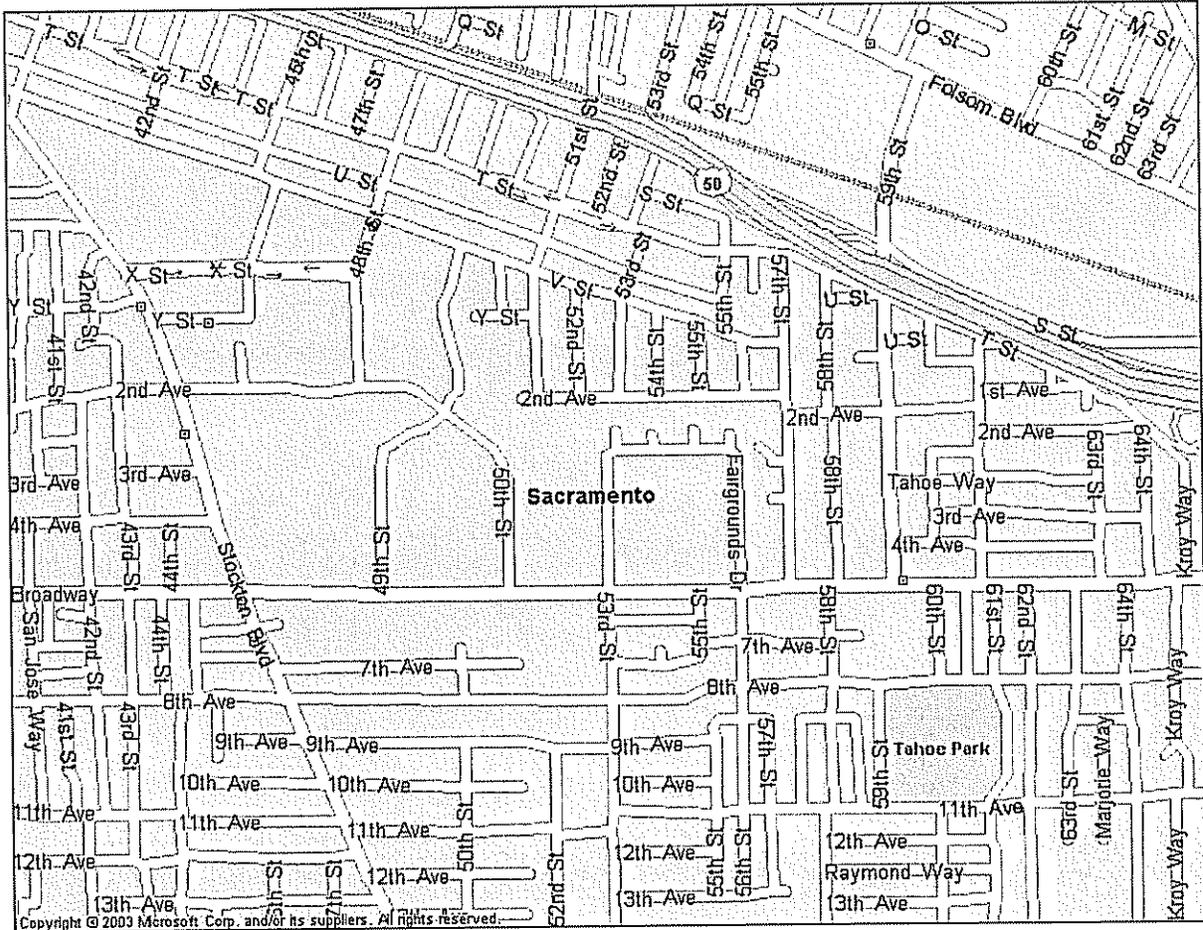
This estimated relocation budget does not include relocation administrative services or provision for any other services necessary for the implementation of the Plan and Project.

TABLE OF ATTACHMENTS

Attachment 1:	Project Site Map
Attachment 2:	HUD Income Category Limits for Sacramento County
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ATTACHMENT 1: PROJECT SITE MAP

Figure 1: Regional Project Setting



ATTACHMENT 2: H.U.D. ANNUAL INCOME LIMITATIONS SACRAMENTO

The following figures are approved by the U. S. Department of Housing and Urban Development (H.U.D.) for use in the **County of Sacramento** to define and determine housing eligibility by income level.

Area Median: \$				
Family Size	Very Low Annual Income	Lower Annual Income	Median Annual Income	Moderate Annual Income
1 Person	\$22,450.00	\$35,900.00	\$44,850.00	\$53,850.00
2 Person	\$25,650.00	\$41,000.00	\$51,300.00	\$61,500.00
3 Person	\$28,850.00	\$46,150.00	\$57,700.00	\$69,200.00
4 Person	\$32,050.00	\$51,300.00	\$64,100.00	\$76,900.00
5 Person	\$34,600.00	\$55,400.00	\$69,250.00	\$83,050.00
6 Person	\$37,200.00	\$59,500.00	\$74,350.00	\$89,200.00
7 Person	\$39,750.00	\$63,600.00	\$79,500.00	\$95,350.00
8 Person	\$42,300.00	\$67,750.00	\$84,600.00	\$101,500.00

Figures are per the Department of Housing and Community Development (California), Division of Housing Policy Development, **February 2005**.

**ATTACHMENT 3:
HOUSING RESOURCE SURVEY**

**ATTACHMENT 4:
RESIDENTIAL INFORMATIONAL BROCHURE - UNIFORM ACT-**

- I. GENERAL INFORMATION**
- II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING**
- III. MOVING BENEFITS**
- IV. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS**
- V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS**
- VI. LAST RESORT HOUSING ASSISTANCE**
- VII. RENTAL AGREEMENT**
- VIII. APPEAL PROCEDURES - GRIEVANCE**
- IX. TAX STATUS OF RELOCATION BENEFITS**
- X. LEGAL PRESENCE REQUIREMENT**
- XI. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE**

I. GENERAL INFORMATION

The building in which you now live is in an area to be improved by the Housing Authority of the City of Sacramento (Agency). As the project schedule proceeds, it may be necessary for you to move from your dwelling. If you are required to relocate, you will be notified in a timely manner as to the date by which you must move.

Please read this information as it will be helpful to you in determining your eligibility and the amount of your relocation benefits under the federal and/or state law. We suggest you save this informational statement for reference.

The Agency has retained the services of Overland, Pacific & Cutler, Inc., a qualified professional relocation firm, to assist you. The firm is available to explain the program and benefits. Their address and telephone number is:



8950 Cal Center Drive, Suite 102
Sacramento, CA 95826
916.857.1520

Spanish speaking representatives are available. **Si necesita esta información en Español, por favor llame a su representante.**

PLEASE DO NOT MOVE PREMATURELY. THIS IS NOT A NOTICE TO VACATE YOUR DWELLING. However, if you desire to move sooner than required, you must contact your representative with Pacific Relocation Consultants so you will not jeopardize any benefits. This is a general informational brochure only, and is not intended to give a detailed description of either the law or regulations pertaining to the Agency's relocation assistance program.

II. ASSISTANCE IN LOCATING A REPLACEMENT DWELLING

The Agency, through its representatives, will assist you in locating a comparable replacement dwelling by providing referrals to appropriate and available housing units. You are encouraged to actively seek such housing yourself.

When a suitable replacement dwelling unit has been found, your relocation consultant will carry out an inspection and advise you as to whether the dwelling unit meets decent, safe and sanitary housing requirements. A decent, safe and sanitary housing unit provides adequate space for its occupants, proper weatherproofing and sound heating, electrical and plumbing systems. Your new dwelling must pass inspection before relocation assistance payments can be authorized.

III. MOVING BENEFITS

If you must move as a result of displacement by the Agency, you will receive a payment to assist in moving your personal property. There are two types of moving payments. You have the option of selecting either one of the following types of moving payments:

A. Fixed Moving Payment

A Fixed Moving Payment is based upon the number of rooms you occupy and whether or not you own your own furniture. The payment is based upon a schedule approved by the Agency, and ranges, for example, from \$625.00 for one furnished room to \$2,150.00 for eight rooms in an unfurnished dwelling. (For details see the table below). Your relocation representative will inform you of the amount you are eligible to receive if you choose this type of payment.

FIXED MOVING SCHEDULE (CALIFORNIA)			
Occupant owns furniture		Occupant does NOT own furniture	
1 room	\$625.00	1 room	\$400.00
2 rooms	\$800.00	each additional room	\$65.00
3 rooms	\$1,000.00		
4 rooms	\$1,175.00		
5 rooms	\$1,425.00		
6 rooms	\$1,650.00		
7 rooms	\$1,900.00		
8 rooms	\$2,150.00		
each additional room	\$225.00		

If you select a fixed payment, you will be responsible for arranging for your own move and the Agency will assume no liability for any loss or damage of your personal property.

B. Actual Moving Expense (Professional Move)

If you wish to engage the services of a licensed commercial mover and have the AGENCY pay the bill, you may claim the ACTUAL cost of moving your personal property up to 50 miles. Your relocation representative will inform you of the number of competitive moving bids (if any) which may be required, and assist you in developing a scope of services for AGENCY approval.

IV. REPLACEMENT HOUSING PAYMENT - HOMEOWNERS

A. If you owned and occupied a dwelling purchased by the Agency for **at least 180 days** prior to the first offer to purchase, you may be eligible to receive a payment of up to \$22,500.00 to assist you in purchasing a comparable replacement unit. If you owned and occupied the displacement dwelling for **at least 90 days but not more than 180 days** immediately prior to the date of the Agency's offer to purchase, you may be eligible for a payment of up to \$5,250.00. This payment is intended to cover the following items:

1. **Purchase Price Differential** - An amount which, when added to the amount for which the AGENCY purchased your property, equals the lesser of the actual cost of your replacement dwelling; **or** the amount determined by the AGENCY as necessary to purchase a comparable replacement dwelling. Your relocation representative will explain both methods to you.
2. **Mortgage Interest Differential** - The amount which covers the increased interest costs, if any, required to finance a replacement dwelling. Your relocation representative will explain limiting conditions.
3. **Incidental Expenses** - Those one time costs incidental to purchasing a replacement unit, such as escrow fees, recording fees, and credit report fees. Recurring expenses such as prepaid taxes and insurance premiums are not compensable.

B. **Rental Assistance Option** - If you are an owner-occupant and choose to rent rather than purchase a replacement dwelling, you may be eligible for a rental assistance payment in an amount not to exceed the calculated price differential payment. The payment will be based on the difference between the fair market rent of the dwelling you occupy and the rent you must pay for a comparable replacement dwelling.

If you receive a rental assistance payment, as described above, and later decide to purchase a replacement dwelling, you may apply for a payment equal to the amount you would have received if you had initially purchased a comparable

replacement dwelling, less the amount you have already received as a rental assistance payment.

V. QUALIFICATION FOR AND FILING OF RELOCATION CLAIMS

To qualify for a Replacement Housing Payment, you must rent or purchase and occupy a comparable replacement unit **within one year from the later of** the following:

1. For an owner-occupant, the date you receive final payment for the displacement dwelling, or, in the case of condemnation, the date the full amount of estimated just compensation is deposited in court, or
2. The date the Agency fulfills its obligation to make available comparable replacement dwellings.

All claims for relocation benefits must be filed with the Agency **within eighteen (18) months** from the date on which you receive final payment for your property, or the date, on which you move, whichever is later.

VI. LAST RESORT HOUSING ASSISTANCE

If comparable replacement dwellings are not available when you are required to move, or if replacement housing is not available within the monetary limits described above, the AGENCY will provide Last Resort housing assistance to enable you to rent or purchase a replacement dwelling on a timely basis. Last Resort housing assistance is based on the individual circumstances of the displaced person. Your relocation representative will explain the process for determining whether or not you qualify for Last Resort assistance.

If you are a tenant, and you choose to purchase rather than rent a comparable replacement dwelling, the entire amount of your rental assistance and last resort eligibility must be applied toward the down-payment of the home you intend to purchase.

VII. RENTAL AGREEMENT

As a result of the Agency's action to purchase the property where you live, you may become a tenant of the Agency. If this occurs, you will be asked to sign a rental agreement which will specify the monthly rent to be paid, when rent payments are due, where they are to be paid and other pertinent information.

Except for the causes of eviction set forth below, no person lawfully occupying property to be purchased by the Agency will be required to move without having been provided with at least 90 days written notice from the Agency. Eviction will be undertaken only in the event of one or more of the following infractions:

- A. Failure to pay rent; except in those cases where the failure to pay is due to the lessor's failure to keep the premises in habitable condition, is the result of

harassment or retaliatory action or is the result of discontinuation or substantial interruption of services;

- B. Performance of dangerous illegal act in the unit;
- C. Material breach of the rental agreement and failure to correct breach within 30 days of notice;
- D. Maintenance of a nuisance and failure to abate within a reasonable time following notice;
- E. Refusal to accept one of a reasonable number of offers of replacement dwellings;
or
- F. The eviction is required by State or local law and cannot be prevented by reasonable efforts on the part of the public entity.

VIII. APPEAL PROCEDURES - GRIEVANCE

Any person aggrieved by a determination as to eligibility for a relocation payment, or the amount of a payment, may have his/her claim reviewed or reconsidered in accordance with the Agency's appeals procedure. Complete details on appeal procedures are available upon request from the Agency.

IX. TAX STATUS OF RELOCATION BENEFITS

Relocation benefit payments are not considered as income for the purpose of the Internal Revenue Code of 1986 or the Personal Income Tax Law, Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code, or the Bank and Corporation Tax law, Part 11(commencing with Section 23001) of Division 2 of the Revenue and Taxation Code.

X. LAWFUL PRESENCE REQUIREMENT

Pursuant to the Public Law 105-117 of 11-21-97, in order to be eligible to receive relocation benefits in federally-funded relocation projects, all members of the household to be displaced must provide information regarding their lawful presence in the United States. In federal projects, any member of the household who is not lawfully present in the United States or declines to provide this information may be denied relocation benefits. Relocation benefits will be prorated to reflect the number of household members with certified lawful presence in the US.

XI. ADDITIONAL INFORMATION AND ASSISTANCE AVAILABLE

Those responsible for providing you with relocation assistance hope to assist you in every way possible to minimize the hardships involved in relocating to a new home. Your cooperation will be helpful and greatly appreciated. If you have any questions at any time during the process, please do not hesitate to contact your relocation representative.

**ATTACHMENT 5:
RELOCATION PAYMENT POLICY REGARDING PROCEDURES FOR
PAYMENT OF RELOCATION CLAIMS**

Claims and supporting documentation for relocation benefits must be filed with Sacramento Housing and Redevelopment Agency (Agency) within eighteen (18) months from the date the claimant moves from the acquired property.

The procedure for the preparation and filing of claims and the processing and delivery of payments will be as follows:

1. Claimant(s) will provide all necessary documentation to substantiate eligibility for assistance.
2. Assistance amounts will be determined in accordance with the provisions of California Relocation Law.
3. Required claim forms will be prepared by relocation personnel in conjunction with claimant(s). Signed claims and supporting documentation will be submitted by relocation personnel to Agency.
4. The Agency will review and approve claims for payment or request additional information.
5. The Agency will issue benefit checks which will be available for pick-up by Claimants, unless circumstances dictate otherwise.
6. Final payments will be issued after confirmation that the Project area premises have been completely vacated and actual residency at replacement unit is verified.
7. Receipts of payment will be obtained and maintained in the relocation case file.

Properties Subject to Relocation at Greenfair



Units Not Being Demolished:

-  Occupied Townhomes
-  HOA Building
-  Senior Apartments

Units To Be Demolished:

-  Occupied "Remainder" Homes (Requires Relocation)
-  Vacant "Remainder" Homes

Vacant Land:

-  HOA Owned Land
-  SHRA Owned Vacant Land