



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



Comm. 37A



August 22, 1989

City Council of the
City of Sacramento
and
Redevelopment Agency of the
City of Sacramento
and
Housing Authority of the
City of Sacramento
Sacramento, California

APPROVED
BY THE CITY COUNCIL

AUG 22 1989

OFFICE OF THE
CITY CLERK

Honorable Members in Session:

SUBJECT: Housing Strategy and Action Plan

SUMMARY

The attached resolution recommends: 1) endorsement of the Housing Strategy and Action Plan described in the attached Report, and 2) amendment of the Agency budget to increase the Housing Development Division budget for 1989 to allow for expenditure of funds on contract/temporary services; and to add two new limited term positions in the Housing Rehabilitation Division.

BACKGROUND

The enclosed Report is intended to summarize current and proposed housing activities of Sacramento Housing and Redevelopment Agency and describe major policy and program initiatives which staff proposes be pursued by the Agency over the next three years. The purpose of this Report is to establish an aggressive action program and agenda for the City in the housing arena which will make a meaningful contribution toward meeting the housing needs of low income Sacramentans through the 1990's.

Development of a sufficiently funded locally derived source of funds for housing is a crucial program objective, if the City hopes to establish its own housing agenda and be able to affirmatively implement that agenda. Enactment of the Trust Fund was a major step in this direction. In addition, many other types of activities are required to implement the comprehensive housing program proposed in the attached Report.

8-22-89

All Districts (1)

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Major policy and program concerns to be pursued by staff, which are described more fully in the attached Report, are highlighted below:

- o Development of local funding sources for housing which include a developer fee and alternative revenue sources
- o Creation of a Housing Partnership to coordinate the gap, debt and equity sources for low-income housing
- o Development of a Downtown Housing Preservation/Development Strategy
- o SRO Preservation and Development
- o Programs to promote neighborhood preservation including:
 - creation of a Home Loan Counseling Center
 - self-help housing
 - a local homesteading program to place boarded and vacant structures back into the housing stock and encourage homeownership
 - Southside and Meadowview area neighborhood housing strategies
 - improved preventative code enforcement practices
 - targeted rehabilitation efforts
- o Development of a detoxification facility for public inebriates
- o Creation of a Community-wide Non-profit Association for housing development
- o Drug free public housing
- o Developer Assistance Program

Implementation of this aggressive housing program has staffing implications for the Housing Development and Housing Rehabilitation Divisions. A more complete discussion of the staffing requirement can be found in Section V of the enclosed Housing Strategy and Action Plan. This staff report addresses the specific staffing changes requested at this time. Less staff are proposed for funding than are requested in the Housing Report due to budget constraints.

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ENVIRONMENTAL REVIEW

Adoption of the Housing Strategy and Action Plan is an action exempt from environmental review per CEQA Section 15262. The Plan only identifies feasible implementation strategies for possible future actions which the Redevelopment Agency and Housing Authority have not approved, adopted or funded, or had previously approved under prior environmental documentation. Specific projects will be subject to environmental review as they are identified and proposed for approval.

POLICY IMPLICATIONS

These policies are consistent with previous Governing Board actions to promote and preserve affordable housing.

FINANCIAL

To accomplish this rather aggressive housing program, the Housing Development Division budget is requested to be augmented by \$26,100, to enable the expenditure of funds for temporary or contractual services. The person providing the service will work primarily on Southside Park and obtaining proposition 77 and 84 funds, as well as on certain of the new policy and program initiatives outlined in the Housing Report. Such amount shall be taken from MRB Fund Balance.

The Housing Rehabilitation budget is requested to be augmented by \$24,387 to enable the hiring of two (2) additional limited term positions to implement the public housing acquisition and rehabilitation program. Such amount shall come from federal public housing acquisition and rehabilitation funds. The positions shall not be filled until the HUD Annual Contributions Contract (ACC) is executed and federal funding available.

The following outlines the budget impact of these proposed budget change requests on the Housing Development and Rehabilitation Divisions, and provides a general outline of where the funds for these expenditures might come from. Staffing changes proposed for 1990 and 1991 will be requested and considered separately in the Agency 1990-1991 budget requests.

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PROPOSED BUDGETS 1989 - 1991

HOUSING DEVELOPMENT

	1989 Current Budget	1989 Proposed Amended	1990	1991
Employee Services	\$324,180	\$324,180	\$ 532,701	\$ 564,453
Supplies	131,000	157,100	160,000	170,000
Overhead	429,000	429,000	460,000	500,000
Total Expenditures:	<u>\$884,180</u>	<u>\$910,280</u>	<u>\$1,152,701</u>	<u>\$1,234,453</u>
Sources of Revenue:				
MRB	\$589,993	\$616,093 ⁽¹⁾	\$ 650,000	\$ 675,000
T.I.	294,187	294,187	300,701	300,000
Trust Fund	-0-	-0-	200,000	259,453
	<u>\$884,180</u>	<u>\$910,280</u>	<u>\$1,152,701</u>	<u>\$1,234,453</u>

(1) Increase to be taken from 1989 Fund Balance.

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HOUSING REHABILITATION

	<u>1989 Current Budget</u>	<u>1989 Proposed Amended</u>	<u>1990</u>	<u>1991</u>
Employee Services	\$ 636,618	\$ 661,005	\$ 901,001	\$ 956,550
Supplies	96,662	96,662	132,910	138,600
Equipment	2,600	2,600	8,500	8,500
Overhead	500,938	500,938	600,000	640,000
Total Expenditures:	<u>\$1,236,818</u>	<u>\$1,261,205</u>	<u>\$1,642,411</u>	<u>\$1,743,650</u>

Sources of Revenue:

Tax Increments, All Project Areas	437,371	437,371	437,371	437,371
CDBG - City	284,794	284,794	324,768	324,768
CDBG - County	434,705	434,705	474,679	474,679
Rental Rehab, City	39,974	39,974	45,322	30,000
Rental Rehab, County	39,974	39,974	46,121	30,000
ACQ/Rehab, City	0	12,194	86,529	90,098
ACQ/Rehab, County	0	12,194	88,594	92,162
CDBG Revolving Loan Funds	<u>0</u>	<u>0</u>	<u>139,027</u>	<u>264,572</u>
TOTAL REVENUE	<u>\$1,236,818</u>	<u>\$1,261,205</u>	<u>\$1,642,411</u>	<u>\$1,743,650</u>

VOTE OF SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

At its regular meeting of August 7, 1989 the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Amundson, Moose, Sheldon, Simon, Strong, Wiggins,
Wooley, Yew

NOES: None

ABSENT: Pernell, Simpson

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RECOMMENDATIONS

1. Endorsement of the Housing Strategy and Action Plan, 1989-1991 described in the attached Report.
2. Amendment of the Agency budget to authorize the expenditure of funds for contractual/temporary services for the Housing Development Division.
3. Amendment of the Agency budget to add two new limited term positions to the Housing Rehabilitation Division.

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLIFE
City Manager

Contact Person: John Molloy, (916) 440-1357

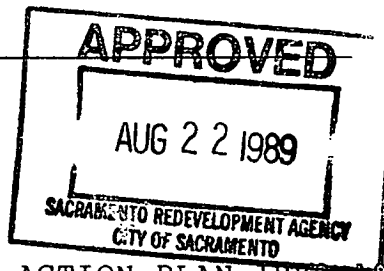
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RESOLUTION NO. 89-075

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____



APPROVED
BY THE CITY COUNCIL

AUG 22 1989

OFFICE OF THE
CITY CLERK

HOUSING STRATEGY AND ACTION PLAN 1989-1991

THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO THAT:

Section 1: The Housing Strategy and Action Plan of the Sacramento Housing and Redevelopment Agency for 1989-1991 is hereby approved.

Section 2: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO. 89-666

ADOPTED BY THE SACRAMENTO CITY COUNCIL

APPROVED
BY THE CITY COUNCIL

ON DATE OF _____

AUG 22 1989

OFFICE OF THE
CITY CLERK

HOUSING STRATEGY AND ACTION PLAN 1989-1991

THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF SACRAMENTO THAT:

Section 1: The Housing Strategy and Action Plan of the
Sacramento Housing and Redevelopment Agency for 1989-1991 is
hereby approved.

Section 2: This Resolution shall be effective upon its
adoption.

MAYOR

ATTEST:

CITY CLERK

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO. 89-028

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____



HOUSING STRATEGY AND ACTION PLAN 1989-1991

THEREFORE BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO THAT:

Section 1: The Housing Strategy and Action Plan of the Sacramento Housing and Redevelopment Agency for 1989-1991 is hereby approved.

Section 2: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(412)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

37

RESOLUTION NO. 89-076

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____



AUTHORIZING CONTRACT OR TEMPORARY EMPLOYEE SERVICES
AND AMENDING THE AGENCY BUDGET

THEREFORE BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1: The Sacramento Housing and Redevelopment Agency
Budget shall be amended to allocate the following contractual or
temporary employee positions:

- | | |
|--------------------------------------|--|
| (a) Housing Development Division- | one limited term
Technical Specialist II. |
| (b) Housing Rehabilitation Division- | one limited term
Typist Clerk III. |

Section 2: The Agency Budget shall be amended to transfer
\$26,100 from the Mortgage Revenue Bond Fund to pay for such
contractual or temporary employees.

Section 3: The Agency Budget shall be amended to increase
expenditures of the Housing Rehabilitation Division by \$24,387 to
pay for such limited term positions or contractual employees.
Such expenditures shall come from acquisition and rehabilitation
administrative fees.

Section 4: After the appropriate HUD Annual Contributions
Contract (ACC) has been executed and the funding from it is
available, the Executive Director is authorized to hire the
limited term staff or to enter into contracts for such employees
as authorized by Section 1 of this resolution.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 6: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

1100WPP2(411)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

37

RESOLUTION NO. 89-029

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____



AUTHORIZING CONTRACT OR TEMPORARY EMPLOYEE SERVICES
AND AMENDING THE AGENCY BUDGET

THEREFORE BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE
CITY OF SACRAMENTO:

Section 1: The Sacramento Housing and Redevelopment Agency Budget shall be amended to allocate the following contractual or temporary employee positions:

- (a) Housing Development Division- one limited term
Technical Specialist II.
- (b) Housing Rehabilitation Division- one limited term
Typist Clerk III.

Section 2: The Agency Budget shall be amended to transfer \$26,100 from the Mortgage Revenue Bond Fund to pay for such contractual or temporary employees.

Section 3: The Agency Budget shall be amended to increase expenditures of the Housing Rehabilitation Division by \$24,387 to pay for such limited term positions or contractual employees. Such expenditures shall come from acquisition and rehabilitation administrative fees.

Section 4: After the appropriate HUD Annual Contributions Contract (ACC) has been executed and the funding from it is available, the Executive Director is authorized to hire the limited term staff or to enter into contracts for such employees as authorized by Section 1 of this resolution.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 6: This Resolution shall be effective upon its adoption.

CHAIR

ATTEST:

SECRETARY

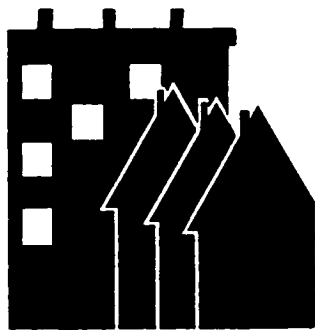
1100WPP2(411)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

SACRAMENTO HOUSING STRATEGY AND ACTION PLAN 1989-1991



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



"Bridging the Gap to Develop Affordable Housing"

S E C T I O N I

INTRODUCTION

This report summarizes the current and proposed housing activities of Sacramento Housing and Redevelopment Agency, and describes major policy and program initiatives which the Agency staff proposes be pursued over the next three to five years. Its purpose is to establish an aggressive action program and agenda for both the Board of Supervisors and City Council in the housing arena which will make a meaningful contribution toward meeting the housing needs of low-income Sacramentans through the 1990's.

As in previous years, the report recommends maximization of the use of State and Federal funding for housing purposes (for which we are ever grateful) but recognizes that these resources are limited. It therefore incorporates the essential realization that cities and counties must be prepared to act independently and affirmatively in this area to be successful. Such action encompasses aggressive pursuit of limited State and Federal resources, and development of local resources. It is our belief that only local initiative, talent, and sweat can be effective in delivering affordable housing.

The Sacramento Housing and Redevelopment Agency serves as the focal point for affordable housing assistance programs for the City and County of Sacramento. The Agency's overall mission is to promote decent affordable housing for low and moderate income individuals and to stimulate community economic and redevelopment activities throughout Sacramento County. The combined City and County Housing Authority and Redevelopment Agency structure allows resources to be combined, mixed and matched, resulting in better coordinated and integrated housing programs than would otherwise be possible.

The Agency has traditionally aggressively pursued affordable housing programs and financing opportunities. Looking back only two years (1987-1988) the Agency either directly or indirectly brought over \$220 million of public and private resources to Sacramento to develop and/or preserve affordable housing projects. Our housing pursuits encompass a broad range of activities ranging from emergency shelter for the homeless, transitional housing, public housing construction and operations, financial assistance to developers for construction of privately owned affordable housing, rehabilitation of existing housing stock, renovation of single room occupancy hotels, and homeownership assistance programs. (A more complete listing of existing Agency programs and past accomplishments can be found in the second section of this report).

Historically, our responses to the community's housing needs have been driven by State and especially Federal funding opportunities, which have provided the mainstay of low income housing finance. Unfortunately, Federal and State funded programs tend to reflect Federal and State priorities and not necessarily Sacramento's specific needs. This situation sometimes leads to a piecemeal response to our affordable housing problems, creating a gap between actual housing needs and available housing programs, and reducing the Agency's ability to define the local agenda. Additionally, external sources of program funding are tied to the budget vagaries, priorities, and program regulations of the State and Federal governments. The drastic cuts in housing programs experienced at the Federal level in recent years have resulted in less federal funds for Sacramento than have been available in the past.

As a result, staff has worked in conjunction with the City/County Housing Finance Task Force to develop local funding sources and strategies for housing to augment the Federal and State sources and programs. The culmination of this work was the Housing Assistance Plan, Program and Financing Strategy (HAPPPFS), which included a proposal for a locally developed housing trust fund. In April, 1989, the City Council enacted an ordinance establishing a fee for housing on commercial and industrial building permits. Fee revenues will be deposited into the City's Housing Trust Fund for the purpose of subsidizing the construction of rental housing affordable to very low-income households. The County Board of Supervisors has not yet adopted the fee program but has requested Agency staff to come back with an overall local financing package, which will be available in late Fall, 1989.

The Housing Assistance Plan, Program and Financing Strategy identifies the City and County's housing needs over the next five years.

The report's major findings are that:

1. Sixty thousand (60,000) renter households currently in Sacramento earn less than 50 percent of the area's median income and therefore are eligible for assisted housing.
 - Twenty-four thousand of the above noted 60,000 households pay over 50 percent of their incomes for rent.
 - An additional 20,000 very low-income renters pay between 30 and 50 percent of their incomes for rent.
2. Low-income housing needs will increase, even in an expanding economy. An estimated 16% of all employees in new office complexes and 33% in new retail establishments will be unable to afford "market" rate rental housing, even given the higher earnings rate of two-earner households. The County Housing Element estimates that of 28,830 new units required between 1989-91, 20,000 will need to be affordable to very low income households.

3. Only 12,000 households currently receive housing assistance through existing Federal subsidy programs available in Sacramento. The gap between the demand for units affordable to the very low income and the supply is great and growing.
4. Current and anticipated "traditional" Federal, State, and local funding for housing is inadequate to keep up with the ever increasing need.
5. The private development industry is unable to build financially feasible projects for very low-income households without a subsidy. There is a substantial gap between development costs and what projects can generate through equity contributions and debt.
6. Over the past two years, 320 federally assisted units in the County were lost as their owners either paid off their loans or elected not to renew Section 8 contracts. An estimated 1,300 units will be eligible for conversion by the end of 1989 and an additional 4,400 by 1994.

The Housing Assistance Plan, Program and Financing Strategy recommends that at least 1,000 new or substantially rehabilitated units a year of very low income housing be created to begin to address the affordable housing problems in the community. To accomplish this, at least \$42 million a year will be needed from public and private sources. The Plan envisions development of a housing Partnership spearheaded by the Agency acting in consort with the private and non-profit sectors. The Agency, through the Partnership, would develop and coordinate sources for debt, equity, and gap financing needed to implement the program. The Housing Assistance Plan, Program and Financing Strategy, in addition to other planning and policy statements developed by Sacramento Housing and Redevelopment Agency over the past few years (e.g., Fair Share Housing Plan, policies for the Homeless and Single Room Occupancy hotels, etc.), and the City and County housing elements have laid the groundwork for our housing programs over the next five years.

This report carries the HAPPPFS and other policies forward into a specific action program with emphasis on specific projects, programs, and policy initiatives which we believe we can, in fact, accomplish. Although we believe this to be an aggressive program, we acknowledge that the housing need is great and far surpasses the amount of affordable housing supply we are proposing be created in this report.

Funding resources in the housing arena have historically been in a state of flux and probably will remain so. New revenue streams will continue to be explored as old ones vanish. This report is intended to give a best prediction of what we might be able to accomplish with resources known or expected to materialize over the timeframe in question. To the extent anticipated resources do not materialize, the goals set forth in this plan cannot be fully achieved.

Projects recommended only represent those which are 'on the drawing boards' now. In the later years of this program's timeframe, or as opportunities arise, this list will be modified.

With these general caveats in mind, Part II of this report, therefore, describes existing programs and housing accomplishments. Part III describes new policies and program/project initiatives, Part IV describes past and projected expenditures on housing from 1987-1991, and identifies potential funding sources. Part V describes the staffing implications to implement this Program, and, Part VI provides statistics and summary data on various housing programs.

SECTION II

EXISTING PROGRAMS

This section is intended to provide the reader with a sense of what Sacramento Housing and Redevelopment Agency has accomplished over the past few years and projects and programs currently in progress. It is from these past experiences and the capabilities developed in implementing existing programs that we plan to build toward the future. The Agency's existing programs can be classified into several categories: public housing programs, programs for the homeless, housing rehabilitation programs (including Neighborhood Housing Services), tax subsidy programs, housing support and assistance programs, and housing development through private activities. Housing policy development is also an important Agency function. The above programs encompass and are carried out by several Agency Divisions.

I. PUBLIC HOUSING:

(A) Public Housing Operations: The Agency's conventional public housing program comprises 3,020 public housing units owned and operated by the City and County including 20 elderly housing developments, 34 multi-family sites and 434 single family homes.

(B) Public Housing Production: Since 1986, the City and County have received funding for 146 new public housing family units and 100 units for acquisition and rehabilitation. In 1987, the City and County adopted a fair share housing plan. The plan was a statement by the Governing Boards that it was their intention to distribute public housing units for very low income households among community plan areas in approximately the same proportion as the area's population.

(C) Comprehensive Improvement Assistance Program (CIAP): This public housing modernization program targets special maintenance deficiencies in the Agency's public housing stock, including energy conservation efforts. Since 1982, over \$15 million in funding has been spent for modernization. In 1989, \$825,409 in new and carry forward funds are dedicated to this program.

II PROGRAMS FOR THE HOMELESS:

Sacramento has been a leader in developing solution oriented programs to serve the community's homeless population. The program is designed as a continuum of social services and housing programs to enable willing homeless people to end their homelessness and gain economic self-sufficiency. Since 1984, the program has expanded from a budget of \$250,000 to \$2.6 million in 1989. In 1988, the Agency provided shelter for over 11,000 persons. These programs include: (5)

(A) Emergency Shelters: This program is provided through various non-profit agencies.

- o South Area Emergency Housing Center (SAEHC) which houses 26 families and 24 single women.
- o Transitional Living and Community Support Services, Inc. houses 65 homeless mentally ill.
- o The Salvation Army houses 80 homeless single men plus 60 overflow beds in the winter on site, and 85-125 people per night at the National Guard Shelter.
- o Volunteers of America (VOA), Bannon Street Shelter houses Aid-in-Kind General Assistance Program recipients, (see below).
- o VOA's Public Inebriate Drop-in Center serves 60-150 public inebriates.
- o Most recently, we are renovating an existing warehouse and planning the placement of modular units for an additional 132 beds.

(B) Transitional Housing: Homeless families are served through a Transitional Housing Program provided by an Agency coordinated consortium of non-profit service providers. Upon completion of the program, families are placed in permanent housing. Participating providers include: Travelers Aid, Lutheran Social Services, SAEHC, and Interfaith Service Bureau. Other accomplishments include:

- o Six physically disabled homeless clients served through Resources for Independent Living.
- o One hundred twenty (120) clients served through Shared Housing and Resources Empowerment (SHARE), a program designed to place shelter residents into shared housing.

(C) Permanent Housing:

- o Eighty Section 8 Certificates are set aside for homeless who can move from transitional to permanent housing.
- o A twenty unit single room occupancy hotel at 700 12th Street (the Midtown) opened in 1988 to serve as permanent housing for the homeless. The project was financed under the Section 8 Moderate Rehabilitation Program for homeless under the McKinney Act. The Agency also provided a loan of \$140,000 from tax increment funds at 3% interest.

(C) In 1988, the County established an in-kind General Assistance Program which offers emergency shelter, meals, social services and referral, job placement and housing placement assistance to 90 (soon to be 112) General Assistance recipients for up to four months. The services are provided to General Assistance recipients rather than a direct cash payment.

- (D) Social service and job counseling are an integral part of the shelter and transitional housing programs. For example, The Just One Break Program links homeless persons with employment opportunities. Since its inception, JOB has placed over 4,000 homeless persons into employment.

III

REHABILITATION:

Housing rehabilitation has been an important part of Agency operations since the early 1970's. Since 1984, the Agency has rehabilitated 682 single family homes, made 1,613 emergency home repairs for low-income homeowners, and retrofitted 449 homes for handicapped access. Under the Rental Rehabilitation Program, we have assisted in the renovation of 674 private rental units.

In 1989, the Rehabilitation Division expects to make 110 single family rehabilitation loans, 140 retrofit grants, 350 emergency repairs and 65 rental rehabilitation loans for 500 units.

IV

NEIGHBORHOOD HOUSING SERVICES:

In 1986, the Agency applied for and obtained funds to create a Neighborhood Housing Services (NHS) non-profit organization program in Sacramento. (NHS is a nationally recognized program which operates in many communities nationwide under the aegis of the Federal Neighborhood Reinvestment Corporation). Neighborhood Housing Services operates in several Sacramento neighborhoods: Gardenland/Norralto, Oak Park and Fruitridge/Pocket. The non-profit, operated by a 15 member Citizen Board of Directors comprised of area residents, businesses, and government representatives, is dedicated to revitalization and preservation of these neighborhoods.

The program receives funding from public and private donations. The Neighborhood Reinvestment Corporation purchases Neighborhood Housing Services loans, in order to help recycle funds. In 1988, Neighborhood Housing Services had some notable accomplishments including: originating \$216,000 in rehabilitation loan funds from its revolving loan program; painting the exterior of 14 houses; organizing a neighborhood cleanup; purchasing a foreclosed house which was rehabilitated and then selling it to a first-time homebuyer; and, receiving a house from Wincrest Homes which was also sold to a first-time homebuyer.

V

TAX SUBSIDY PROGRAMS:

These programs are divided into homeownership and rental housing subsidies. On the homeownership side, since 1980 the City and County have issued \$200 million in tax exempt bonds to assist 1,680 first-time homebuyers. Sacramento's Mortgage Credit Certificate Program, the first of its kind in the State, has assisted over 3,400 first-time homebuyer households since 1985. In 1989, the Agency will make available \$2 million in 8.65% mortgage funds combined with \$5,500 in deferred payment second mortgages to assist lower income first-time homebuyers in purchasing a home in various target areas. With respect to rental housing, the Agency has financed, through its tax exempt bond programs, 11,048 units of affordable housing. Twenty percent of these units must be affordable to households with incomes under 50% - 80% of median income. Since 1983, over \$378 million in rental housing bonds have been issued.

VI

HOUSING SUPPORT AND ASSISTANCE PROGRAMS:

(A) Section 8 Rental Assistance: This federally funded program provides rental assistance to qualified very low income tenants. The tenant uses the certificate or voucher to afford rental housing in privately owned properties. The program has expanded considerably since 1980 from 2,400 certificates to over 4,500 in 1989. Approximately 140 certificates were received from the State Aftercare Program for disabled and handicapped.

In 1988, the Agency did not receive any new certificate allocations. None are expected in 1989 although 100 vouchers were received.

(B) Fair Housing: Annually, the Agency supports the Fair Housing Commission through Community Development Block Grant funds. Support for the Fair Housing Commission in 1988 was \$245,000. The Commission publishes literature and holds meetings on fair housing practices. In addition, it researches tenant/landlord issues and helps achieve compliance with fair housing laws.

(C) Community Housing Resources Board: This organization was created in 1985 to assist the real estate community in employing and promoting fair housing practices in the home ownership area. The Agency staff serves on the CHRB Board.

(D) Community Information Housing Referral Clearinghouse: The Community Information Housing Referral Clearinghouse, funded by CDBG, provides housing information and referral services on subsidized housing opportunities, shared housing arrangements, Section 8 housing, HUD-assisted housing, landlord/tenant issues, emergency shelter, transitional housing opportunities, and homeownership assistance programs. In 1988, the Center responded to over 15,000 housing information requests.

(E) Seniors Allied In Living: (SAIL) This program, which is funded by CDBG, links up seniors, disabled, and low income persons to share apartment and living expenses. Since 1983, 900 people have been served under the program. In 1988, 100 persons were served, of which 60 were seniors and 40 were low income non senior households.

(F) Gateway Services: Gateway I and II was created in 1988 to provide comprehensive service needs assessment and service linkage and coordination for seniors living in Agency public housing projects. Gateway III provides counseling and support to families and youth in our public housing properties.

(G) Relocation Assistance: This program assists persons displaced by emergency code enforcement actions and redevelopment projects or public agency actions which result in the removal of affordable housing. The program provided relocation assistance to 130 displaced persons over the past two years.

(H) WEAVE: CDBG funds have supported Women Against a Violent Environment, a shelter for battered women and children. The shelter provides sleeping space for approximately 31 women and children. Counseling, crisis intervention, emergency clothing, food and transportation are provided.

VII

HOUSING DEVELOPMENT THROUGH PRIVATE ENTITIES:

Through financial assistance, the Agency accomplishes affordable housing developments through the private and non-profit sectors. Below is a listing of some of the projects that have been assisted:

o RIVERVIEW PLAZA: A 123-unit senior housing project 100% affordable to lower income households. Although initially developed by the Housing Authority, the project was eventually sold to a limited partnership, in order to syndicate low income housing tax credits on the project. The General Partner of the non-profit is Sacramento Housing Development Corporation, whose Board is the Board of Supervisors.

o MUTUAL HOUSING: The Agency, in conjunction with Neighborhood Reinvestment Corporation and Rural California Housing Corporation, created a Sacramento Mutual Housing Corporation. The Mutual's first project was Glen Ellen, a HUD-owned 36 unit repossessed property acquired by the Agency and then resold to the Mutual. A combination of State, local, and private funds will be used for acquisition and rehabilitation.

o 17TH STREET COMMONS: A \$445,000 deferred payment low interest loan from tax increment funds made possible this 25 unit limited equity co-op located in downtown Sacramento.

o SELF HELP HOUSING: Agency subsidy (tax increment and CDBG) in conjunction with low interest loan money through California Housing Finance Agency, and the management expertise of the Rural California Housing Corporation resulted in the development of 26 units of self-help ownership housing in several redevelopment areas: eight in Alkali Flat (completed), eight planned in Del Paso Heights, (to be completed in the summer of 1989) and ten planned in Oak Park. In addition, 15 self-help units will be built in South Sacramento at 44th Street during 1989/90. Ten flood-damaged rentals were rehabilitated in Strawberry Manor after extensive flood damage in 1986, and converted to owner-occupied housing.

This program enables families earning between \$18,000-\$25,000 to afford ownership housing.

o CARNATION VILLAS: The Agency provided technical and financial assistance in development of a 10 unit subdivision financed primarily through the California Homeownership Assistance Program (CHAP).

o SAN CARLOS MOTEL (The Turning Point): The renovation of this 20 unit motel enabled its use as a congregate care facility for low income seniors.

o SRO's: Between 1985 and 1988, the Agency provided \$730,000 in subsidy to renovate the Sequoia, the Ridgeway and the YWCA, retaining 176 hotel rooms for very low income residents.

o 1111 G STREET: This redevelopment project offers a mixed-use, mixed-income 57 unit housing/commercial project. The project is expected to be completed in 1990.

o 530 10TH STREET: The Agency made a \$38,000 loan for the rehabilitation and restoration of an old Victorian in Alkali Flat. The project provides three separate market-rate apartments, in furtherance of Agency redevelopment goals.

o 520 9TH STREET: To achieve redevelopment goals, the Agency sold this vacant warehouse to a developer who rehabilitated it to provide office space plus 5 units of market rate housing.

o 515 8TH STREET: The Agency purchased this Victorian in Alkali Flat and then sold it to new owners who rehabilitated and restored the property. A land write-down was provided .

o 808 E STREET: To achieve redevelopment goals, the Agency sold this vacant lot to the adjacent property owner who constructed a two-bedroom market rate apartment.

o 511 8TH STREET: The Agency purchased a vacant site at 511 8th Street in Alkali to enable the relocation, preservation, and restoration of an historic single family housing structure.

o 202 HOUSING: Over the years, the Agency has assisted 135 units of elderly and handicapped housing developed by various non-profit organizations under the HUD 202 Housing Program.

o 17TH & K: The Agency provided land assemblage and a \$400,000 five year low interest loan for a 51 unit private housing development, 10 units of which will be for lower and moderate income tenants.

o WOODHAVEN: The Agency has provided an up front loan of \$500,000 and \$200,000 in annual operating subsidies for five years to bring this 104 unit very low-income elderly project to fruition.

o NON PROFIT DEVELOPMENT CORPORATION: In 1988, the Agency created Sacramento Housing Development Corporation, an Agency affiliated profit, to develop affordable housing projects. The Corporation's first project was Riverview Plaza.

o 42nd & FRUITRIDGE: A \$220,000 CDBG loan combined with \$220,000 in rental rehabilitation has enabled the restoration of nine fourplexes which were boarded and vacant at 42nd and Fruitridge in our Block Grant Target area.

VIII

HOUSING POLICY:

One of the Agency's most important functions is to provide housing policy direction to the City and County governing boards. It is these policy initiatives that have led to the many innovative programs developed by the Agency. These policy initiatives have included:

- SRO Task Force and SRO Preservation Policy
- Housing Finance Task Force which developed a comprehensive affordable housing strategy
- Local funding sources for housing, including enactment of the local development fee for housing in the City
- Relocation of the Detoxification Center
- Fair Share Housing Plan
- Homeless Task Force leading to service intensive homeless programs
- Locally imposed targeting requirements under the tax subsidy housing programs
- Land banking program resulting in the purchase of six sites for future affordable housing projects. Additional sites will be purchased in 1989

S E C T I O N I I I

NEW PROPOSED POLICY, PROGRAM AND PROJECT INITIATIVES

Over the past several years, Agency staff have worked on the development stages of a number of policy initiatives outlined below. In general, it is our belief that locally developed low-income housing policies are rapidly eclipsing the old federally driven models and will continue to grow in importance over time. In that vein, we have 'kept our ear to the ground' in an attempt to pick up on new policy concepts which might receive a favorable reception. Additionally, we have kept abreast of developments in other communities for viable ideas and concepts. Listed below, therefore, are a number of important policy, program and project initiatives we hope to more fully develop over the next several years.

I LOCAL FUNDING SOURCES FOR HOUSING: With an 80% decline in federal funding over the past ten years, and unreliable and intermittent state funding for housing, Sacramento has recently taken steps to develop local funding sources for housing. These sources include a developer fee, direction to investigate alternative revenue sources, and private sector initiatives.

(A) Trust Fund: The City Council has already enacted a developer fee for housing. Staff intends to pursue a similar fee with the County, and develop an ordinance for the Board's consideration in the Fall of 1989. These trust funds will ultimately provide at least \$3 million a year in local funds for very low income housing depending on the level of commercial development. A developers assistance program will be created to enable the Agency, through the private and non-profit sectors, to accomplish the development of housing in conformance with needs identified in the Housing Assistance Plan.

One aspect of the Developer Assistance Program will target Trust Fund subsidy funds to new construction or substantial rehabilitation. These funds are intended to subsidize projects that serve very low income households whose housing needs resulted from new office/commercial developments. Projects receiving funding will therefore be in reasonable proximity to new office/commercial developments (to the extent possible). Mixed income projects are desired, with subsidy from the Trust Fund being applied to make some of the units affordable to very low income households.

(B) Other Revenue Sources: Both the City and County have directed staff to develop other local resources for housing to raise an additional \$3 million a year. A report will be provided to the City and County during the Fall.

(C) Private Initiatives: The BIA has sponsored a Housing Roundtable to explore "private initiatives" in the development of affordable housing. Staff is participating in the Roundtable discussions, and will assist where requested in implementing programs identified by the Roundtable. The Roundtable is exploring the idea of developing a non-profit corporation that could raise predevelopment seed money and provide technical assistance to low income housing projects seeking financing.

(D) Fee Waivers: Pursuant to the recommendation of the Housing Assistance Plan Program and Financing Strategy, the City Community Development Department has established a task force to review a fee waiver program for affordable housing development. Agency staff will actively participate in the analysis and development of this program. The County proposed housing element also recommends fee waivers for affordable housing. Assuming adoption of this aspect of the element, SHRA staff intends to pursue the fee waiver proposal with County staff.

(E) Low/Moderate Tax Increment Fund: State law requires that 20% of tax increment funds be set aside for low/moderate income housing. The fund will become a source of financing for the Developers Assistance Program that will be created in 1989. A policy with respect to the 20% low/moderate tax increment fund will also be developed in 1989, and a report on the fund's status published. Staff regards the 20% set-aside as a minimum requirement. It is expected therefore, that housing expenditures will comprise a growing portion of downtown tax increment as the years progress.

(F) Project Based Subsidy: New regulations enable the City and County Housing Authorities to attach up to 15% of the Section 8 Certificate pool to specific projects. Project-based Section 8 provides another local subsidy financing mechanism for affordable housing. A policy statement regarding the targeting of these certificates, and project selection, was recently developed and adopted by both Authorities.

HOUSING PARTNERSHIP: The Housing Assistance Plan Program and Financing Strategy recommended creation of a Partnership to enable the joining of debt, equity, and gap financing for low income housing. As conceived by the Task Force, the Partnership was intended to create an affordable housing finance delivery system to expedite and facilitate the usually complex nature of affordable housing finance. The Partnership was intended to be an informal network of debt, equity and gap providers who could be called on to consider the financing of various affordable housing programs. A more structured and formal Partnership entity may be desirable. Staff intends to begin implementing the partnership in 1989/1990. Elements will include:

- o Gap Financing - In addition to creation of a developers assistance program using various local funding sources for housing (e.g., trust fund, tax increment), staff will continue to aggressively pursue potential Federal and State sources for housing. State funding through Propositions 77 and 84, will create monies in 1989 and 1990 for rehabilitation and new construction. We think Sacramento could realistically receive \$7 million from these State Funds. Staff is already working with developers on projects which can use these state funds. Passage of the Cranston/D'Amato Housing Bill would create a new federal funding program for housing. Staff will aggressively pursue those funds, if and when they become available. The bill is expected to be considered in Spring 1990.

- o Debt - The City and County will continue to issue revenue bonds for affordable housing. In addition, a major new program emphasis involves obtaining private sector lender commitments to finance low income housing under the Community Reinvestment Act. Staff is currently studying lender investment patterns. In September, upon completion of the study, staff will hold workshops with area lenders to discuss housing needs, the study's findings and begin developing ways to increase lender participation in low income housing development. Another strategy being considered is working with pension funds as a source of funding for low income housing projects.

- o Equity - Assuming the continuation of the low income housing tax credit, staff envisions development of a local corporate equity fund for housing. Models for the program currently exist throughout the country.

III

DOWNTOWN HOUSING STRATEGY: The Agency is very much interested in participation in the development of a strategy for the preservation of and addition to the Downtown housing stock. The issues raised in discussion of the R Street corridor are representative of this concern. The R Street Corridor Housing Study noted that based on proposed development downtown, 2,873 new units of housing will be needed downtown. Creation of such units would require 69 acres of vacant land. Currently only 13.2 acres of vacant residentially zoned land exists downtown. Obviously, a problem exists. We would like to participate with the City Planning Department, CADA, private developers, advocacy groups, and Downtown residents, in development of a strategy for preservation/development of both market rate housing as well as units affordable to lower and moderate income residents.

Emphasis should be placed on use of Agency powers and resources in combination with land use controls to achieve these objectives. We propose embarking immediately on development of such a strategy. Issues to be covered include:

- Appropriate Densities (High-rise vs. mid or low-rise development)
- Mixed Use Concepts
- Neighborhood Preservation
- R Street Housing Issues/Linkages to Southside
- S.P./Centrage Linkages
- Use of 20% set-aside and redirection of funds from commercial developments into housing
- Land Banking
- Design/Public Works Issues
- Clearly articulated housing policy statement for Downtown

IV

SRO PRESERVATION AND DEVELOPMENT: As part of the Downtown housing plan, the issues of SRO's will need to be addressed. On May 23rd, the City Council approved a policy paper on SRO's. Staff will begin developing an implementation program which focuses on financing \$7 million of rehabilitation and new construction of SRO's over the next five (5) years. Our goal is to rehabilitate 400 units and build 200 new units over the next five (5) years. Staff has already applied for Section 8 mod rehabilitation funds under the McKinney Act on behalf of the Golden Hotel. Proposition 77 and Proposition 84 funds will also be aggressively pursued. Staff is currently working with Hank Fisher to build a new 60-unit SRO in the CADA project area. Camellia City Center is also pursuing a 10-unit SRO near Downtown.

V

POLICY ON OPT-OUTS: As noted in the Housing Assistance Plan Program and Financing Strategy, potentially 4,385 units over the next five years will be lost as privately owned HUD-financed low income housing projects convert to market rate housing. Nine HUD and Farmers Home Administration projects with approximately 350 units have already converted. HUD's response has been to provide Section 8 Certificates to the displaced tenants in Section 8 opt-out projects. HUD, however, has not made any long-term commitments to continue to provide certificates as projects convert, or to address the problem in any other way and is not providing Section 8 Certificates on HUD 221(d)3 or 236 projects, the owners of which may elect to prepay their loans. HUD currently has a moratorium on the conversion of assisted housing. This moratorium expires in February, 1990, but is expected to be extended another year or two. Although certificates help tenants who are displaced, they do not add to the affordable housing stock. Staff intends to: continue participating in the Northern California Housing Preservation work group; support and pursue State and Federal legislation to deal with this problem; consider acquisition of opt-out projects as funds become available; and, develop specific proposals for how this problem can best be dealt with on a local level.

VI

SITE ACQUISITION: A site acquisition/land banking program will enable the Agency to more quickly respond to public housing applications and to better control the affordability and location of future privately owned publicly subsidized low income housing projects. In 1988, the Agency purchased six sites. Three more are actively under consideration. Land banking will be an integral part of a downtown housing program, given the scarcity of available vacant sites for housing and the severe upward pressure on land prices downtown. Finally, staff is considering a proposal to give the Agency the right to purchase land for affordable housing in all new proposed housing developments. This proposal is intended to accomplish fair share housing goals in the developing areas of the City and County. The City has already endorsed this proposal in concept by adopting the Housing Assistance Plan, Program and Financing Strategy. (The funds for purchasing those sites have yet to be identified.) Other inclusionary housing strategies will also be pursued by staff.

VII

RENEWED EMPHASIS ON NEIGHBORHOOD PRESERVATION: Over the next three years, we foresee an emphasis on housing preservation and rehabilitation in our neighborhoods. The types of programs we intend to pursue are:

- A special targeted, intensive rehabilitation program in Oak Park and Del Paso Heights using CDBG and tax increment funds. The program will target a three-block area in each neighborhood, and make available funds for rehabilitation efforts that will make a noticeable difference in the neighborhood.
- Creation of a home loan counseling center to assist lower income household to resolve credit problems and to understand home ownership possibilities and assistance programs. A pilot program in Del Paso Heights and Oak Park is proposed for 1989. In 1990, staff hopes to achieve private lender support of the Center and to expand the client base to the City and County.
- Continuation of self-help housing as both an affordable home ownership mechanism, and a neighborhood preservation tool. Additional projects in Del Paso Heights and Oak Park are envisioned, as well as in other areas of the City and County.
- Coordination of housing improvement efforts in Meadowview. (We have proposed a multi-pronged approach focusing rehabilitation and homeownership programs through a neighborhood-based effort.)
- Use of public housing acquisition and rehabilitation funds to purchase and rehabilitate units in neighborhoods where such a purchase will help bring about stabilization.
- Development of a strategy and funding mechanism to preserve and develop housing in the Southside Park neighborhood. The strategy includes providing technical assistance to property owners on applying for Proposition 77 funds to enable the rehabilitation of owner-occupied and investor-owned structures. In addition, staff intends to propose amending the CDBG Rehabilitation Program to increase its loan limits to \$33,500, which would help meet the generally more expanded and costly rehabilitation needs in Southside. Given the number of historic structures in the area, staff will work with potential property owners to take advantage of the historic rehabilitation tax credit. Public investment in Southside is also recommended. If the City Council decides, as a matter of policy, that Southside should be preserved as a housing area, we will secure up to \$3 million from our 1990 Downtown Tax Allocation Bond Issue into this area. Staff believes that a relatively modest public investment would likely spur private investment to retain the housing stock in the area.

- Participation in the City's REAP task force and expansion of that task force to cover code enforcement and housing preservation concerns. The City has recently closed down several unfit and unsafe housing developments. Although the Agency supports these efforts, we are concerned that this approach is reactive and not preventative. In addition, it results in the loss of valuable affordable housing stock and the displacement of tenants. We believe a more effective strategy entails early detection and aggressive enforcement. Legal remedies already exist, but have not fully been used. Better coordination between code enforcement and our rehabilitation programs may also assist in code compliance without affecting housing affordability. The County's proposed Housing Element also addresses code enforcement strategies. Upon adoption of the Housing Element, staff will begin working with County staff to implement and expand on the housing element proposals related to code enforcement. The work of the City's Task Force should provide an array of strategies for the County to consider as well.
- Development of a Homeowners Assistance Program in 1989, to provide first time homebuyers an 8.65% first mortgage for purchase in conjunction with a deferred payment second mortgage to assist with closing costs and minor house repairs or upgrades. The program is targeted to homes in our CDBG, redevelopment and rehabilitation target areas. We hope to have funds available in 1990 and 1991, to continue and expand the program.
- Application to the Federal Government for Nehemiah Funds. The program enables homeownership through \$15,000 grants. The program is tied to neighborhood revitalization efforts. We believe funding will be available in 1989/90.
- Development of ownership housing in Del Paso Heights and Oak Park through an RFP expected to be released in late 1989.
- Purchase of HUD repossessed properties or other boarded and vacant properties, particularly in neighborhoods where such properties have historically been investor-owned and have led to the decline of the neighborhood. The program would enable the Agency to purchase and rehabilitate the homes and then sell them to qualified home buyers. A lease purchase program could be developed to enable lower income households, who have no savings, an opportunity to build up equity and eventually qualify

for a conventional mortgage. Depending on the level of Agency subsidy, these homes could be offered to selected public housing tenants who are identified as potentially successful homeowners. Funding for the implementation of this program has not yet been identified.

- Development of State legislation to require lenders to properly maintain repossessed properties and expeditiously return them to the housing stock.

VIII

PRESERVATION OF MATHER HOUSING STOCK: Staff presented a proposal to the Mather Study Commission to preserve the 1,200 (+/-) units of existing housing stock at Mather. Given the potential loss of affordable housing and the rising cost of new housing in Sacramento, the loss of these 1,200 (+/-) Mather units would be a critical setback for affordable housing. The proposal conceived of a planned development at Mather that included a mix of incomes and encouraged resident involvement in the maintenance and upkeep of the development.

IX

DETOXIFICATION PROGRAM RELOCATION AND OPERATIONS

The Agency is currently undertaking an effort to relocate and improve upon the shelter for public inebriates currently located at 2700 Front Street. In conjunction with that effort, we are looking at ways to improve enforcement of the public inebriety laws while at the same time creating a better and more humane shelter program for the population. A preliminary policy report has already been approved. The implementation report is expected in the late 1989 timeframe.

X

CREATION OF A COMMUNITY WIDE NON-PROFIT HOUSING DEVELOPMENT CORPORATION:

In 1989, the Agency created Sacramento Housing Development Corporation. The non-profit was intended to facilitate the Agency's development of low income housing, offering more flexibility than is available through the Housing Authority, and enabling the Agency to joint venture with private developers in the development of housing. Initially, staff conceived that the Board of the non-profit would be the Sacramento Housing and Redevelopment Commission. However, this Board presents related party and conflict of interest problems, if the project is to receive certain HUD subsidies, tax credits and/or Agency subsidies. It has become apparent that a more arms-length non-profit will be needed. Staff intends to develop a proposal and establish this non-profit during 1989.

- XI DRUG FREE PUBLIC HOUSING: In 1988, the Agency received a \$170,000 grant to develop programs to address drugs in public housing. To date, the Agency has hired a drug coordinator whose goals are to educate tenants on the drug problem, provide training and suggestions on how tenants can deal with the problem, provide recreational and educational support to the children to direct energies away from drugs and into more productive and healthy activities and to identify and link up with community resources to combat the drug problems. Grant monies also provided limited funding for the hiring of security guards to identify drug dealers in our developments. In 1989, \$86,582 in CIAP funds were approved to extend the program for an additional two years. Finally, the Agency has sponsored two drug conferences to discuss and understand the drug problem, and identify solutions.
- XII LEGISLATIVE INITIATIVES: Staff annually monitors state and federal legislative proposals. Major legislative initiatives for 1989 will be: Article 34, State Tax Credit Recapture, Opt-Out Controls, Federal Housing Legislation (Cranston/D'Amato, Gonzalez), and extension of Mortgage Revenue Bond/Mortgage Credit Certificates and Low Income Housing Tax Credits.
- XIII ARTICLE 34 REFERENDUM: It is likely that the existing Article 34 authority will need to be modified through a new referendum. If so, staff expects to have a referendum on the Summer, 1990 ballot.
- XIV BOND PROGRAM ADMINISTRATION: The City and County have over \$500 million in outstanding housing bonds. Bond proceeds are administered by hired trustees. These trustees are responsible for payment of interest and principle, investment of proceeds, and protection of the fiduciary interest of bond holders. The Agency has historically taken a fairly passive role in monitoring the performance of these trustees. In 1989/1990, staff intends to more diligently monitor trustee performance, audit existing bond programs, and ensure better compliance with the indentures. These efforts are intended to identify bond issues that may develop problems, and to head off potential bond defaults.
- XV COMPLIANCE MONITORING: The Agency currently monitors developer compliance with bond program regulatory agreements. In addition, staff intends to begin monitoring density bonus projects which agreed to reserve units for low income households. About eight projects received low income density bonuses over the past few years. Furthermore, staff will begin monitoring affordable housing compliance in agency-subsidized

projects including certain Tax Credit projects, 17th Street Commons, 1111 G Street, and Woodhaven. Finally, as the developer assistance program becomes more active, the compliance requirements will expand. It has been our experience that without our diligent monitoring, the compliance with regulatory restrictions are not usually obtained.

XVI

OTHER HOUSING PROJECTS UNDER CONSIDERATION: Through subsidy incentives (e.g. trust fund, other local sources, tax increments, State and Federal grants), the Agency intends to work in consort with private and non-profit developers to build and preserve affordable housing. Some of the projects we intend to pursue over the next three years are outlined below. This list is not inclusive. Some projects will be added and some on the list may not come to fruition. Many others have been mentioned in the specific policy or program areas discussed above.

- Development of 18th and L Street site
- A second mutual housing project (Cotton Lane site)
- Development of the T and 4th Street site as family housing
- A new 100-bed homeless shelter in conjunction with the County's General Assistance Aid-in-Kind Program, (in addition to the 52 bed warehouse currently under renovation)
- A midtown senior project.
- Land acquisition and development in the Downtown area: Southside neighborhood (40-100 units)
Northeast neighborhood (three sites, 164 units)
- Camellia City Center (10 units)
- Housing for disabled and handicapped (50 units.)
- Emergency (modular) shelters for the homeless (120 beds)
- 15-unit rental rehabilitation project in Alkali Flat
- Site acquisition for 48 units of ownership housing in Del Paso Heights and Oak Park.

XVII

MOBILE HOME PARKS: The County's proposed housing element includes direction to develop a conversion ordinance, and to provide subsidy to enable lower income households to make repairs which ensure health and safety standards are met and, if warranted, to acquire their mobile home parks. Staff will develop a program for 1992-1993 to upgrade mobile home parks and encourage ownership, if possible. Staff will also investigate the feasibility and desirability of a mobile home park to accept coaches displaced as a result of conversion of older existing parks.

XVIII

SHORT TERM REVOLVING LOAN FUND FOR PREDEVELOPMENT:

The lack of predevelopment funds makes it difficult to quickly respond to housing "opportunities" that often arise at the Agency. Staff proposes working with the City and County Treasurers to identify \$4 million in invested City and County cash flow funds that can be loaned to SHRA for 6-9 months at relatively modest interest rates for use to acquire property and predevelop projects. The funds would be paid back upon resale of the property or securing of permanent financing. This fund would be modeled on the State Predevelopment Loan Fund and enable staff to more quickly move on housing project development or preservation without having to borrow "market rate" funds from the private sector during project predevelopment periods. This predevelopment loan program would be very valuable in helping the Agency start a program to acquire HUD repossessed homes or other boarded and vacant properties and turn these over to qualified homeowners. The fund would be used solely for projects that are being developed by SHRA or its affiliated non-profit.

XIX

ANNUAL HOUSING REPORT: In our efforts to educate the public, the development, and the lending community about affordable housing needs and subsidy programs, staff intends to annually publish a housing status report. The report will discuss affordable housing needs in Sacramento, summarize accomplishments over the past year, outline an annual Agency housing workplan, including major policy initiatives, and describe housing subsidy programs. As part of this "educational/informational" process, staff proposes developing a video on affordable housing issues and Agency programs. The video would be used as an educational and informational tool and would be particularly useful if a general tax referendum and/or an Article 34 referendum are pursued.

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S E C T I O N I V

SUMMARY OF REVENUES AND EXPENDITURES FOR HOUSING PROGRAMS 1987 - 1991

The following charts attempt to illustrate, in a comprehensive manner, the amount of annual revenues and expenditures raised towards affordable housing programs. Revenues noted include all sources including: Federal direct subsidies for public housing and homeless programs; Section 8 assistance; special grants; community development block grant funds allocated to housing programs; State sources of funding; and Tax Subsidy Funds raised through the sale of Tax Exempt Bonds, Mortgage Credit Certificates, or low income housing tax credits. Operating expenditures are noted separately from program and capital expenditures. Program and capital expenditures include existing expenditures plus the cost of proposed programs contained in this Housing Strategy Report. The figures for these charts were obtained primarily from previously published Agency budgets and may not reflect actual expenditures.

SUMMARY OF AGENCY REVENUES AND EXPENDITURES FOR HOUSING

	1987	1988	1989	1990	1991
HOUSING					
+ Revenues (1)	124690659	103896950	94077936	127177085	109398551
- Operating Expenditures	34555507	37656193	38360250	40469603	42547196
- Program/Capital Expenditures	85462700	60167479	34149279	85584793	60598543
= Net Revenues By Year	4672452	6073278	1568407	1122689	6252812

(1) These figures are meant to be illustrative and do not strictly reflect actual expenditures and revenues.

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BUDGETED REVENUES FOR HOUSING AND HOUSING SUPPORT SERVICES

	1987	1988	1989	1990	1991	5 YEAR TOTAL
PUBLIC HOUSING OPERATIONS						
City Conventional	4266000	4539000	5091857	5414021	5724081	25034959
County Conventional	1718000	1772000	2346822	2815198	3214245	11866265
Ping Yuen	354000	458000	480000	504842	530094	2326936
Kennedy	360000	360000	381000	400815	420846	1922661
San Jose/Broadway	133000	133000	186000	195767	205542	853309
Scattered Sites	25000	25000	32264	33872	35568	151704
Wildflower	66000	66000	79500	83480	87650	382630
Locally Funded Projects	205000	206000	212706	219881	227516	1071103
Riverview Plaza	0	0	805089	829560	855254	2489903
TOTAL PUBLIC HOUSING	7127000	7559000	9615238	10497436	11300796	46099470
LEASED HOUSING						
City Section 8	6042000	6705000	7145797	7503087	7878241	35274125
County Section 8	5708000	6254000	6683042	7017194	7368054	33030290
State After Care	442000	542000	558481	586404	615725	2744610
City Mod. Rehabilitation	185000	183000	271976	285574	299852	1225402
County Mod. Rehabilitation	132000	168000	177697	186583	195911	860191
City Voucher	586000	1023000	1848949	2717546	3057164	9232659
County Voucher	761000	1038000	2075039	2954941	3306427	10135407
TOTAL LEASED HOUSING	13856000	15913000	18760981	21251329	22721374	92502684
MRB	470000	394000	490000	650000	675000	2679000
TAX INCREMENT						
T.I. Contribution to (1)						
Housing From Downtown	4784940	4008308	2195617	7300000	4183000	22471865
From Neighborhoods	552700	497982	513604	526010	538771	2629067
T.I to Homeless	4100	175000	700000	525000	551000	1955100
CDBG RELATING TO HOUSING (INCLUDES REHAB)						
City	2665128	3019736	2738790	3500000	4000000	15923654
County	3794116	4911299	3593645	4000000	5000000	21299060
CDBG REVOLVING LOAN	200000	300000	800000	500000	500000	2300000
HODAG	1089000	911000	0	0	0	2000000
HOMELESS PROGRAM GRANTS (2)						
Local/General Fund	451175	690279	535421	1456000	1521000	4653875
State	80000	116854	28095	27750	27750	280449
Federal	20500	399492	266842	270072	270072	1226978
TOTAL HOMELESS	551675	1206625	830358	1753822	1818822	6161302
COMMUNITY SERVICES GRANTS	2203000	2380000	2405703	2535988	2652288	12176979
HUD NOTES	2747000	8627000	0	0	0	11374000
TAX CREDIT SYNDICATION	0	0	1400000	1400000	1400000	4200000
ACQUISITION & REHAB	0	0	0	3347500	3147500	6495000
HOUSING MODERNIZATION	0	0	774000	690000	690000	2154000

312 LOAN FUNDS	1000000	600000	0	500000	500000	2600000
RIVERVIEW LOANS						
FIB LOAN	7040000	0	0	0	0	7040000
CHFA LOAN	932000	0	0	0	0	932000
STATE REHABILITATION FUNDS	10000	0	10000	0	0	20000
RENTAL REHAB	610000	1100000	1800000	700000	720000	4930000
HCD LOAN FUNDS	0	94000	0	0	0	94000
MISC. CARRYOVER REVENUE FOR CAPITAL PROJECTS	7000000	6000000	20000000	2000000	0	35000000
PROP 77 FUNDS	0	0	1000000	2000000	0	3000000
PROP 84 FUNDS	0	0	0	2000000	2000000	4000000
M.F. REVENUE BONDS PROCEEDS	11954000	0	0	20000000	20000000	51954000
S.F. REVENUE BONDS PROCEEDS	34800000	46200000	0	40000000	0	121000000
MCCs	21300000	0	6250000	0	21000000	48550000
TRUST FUND FOR HOUSING	0	0	200000	1500000	3000000	4700000
LOCAL TAX FOR HOUSING	0	0	0	0	3000000	3000000
TOTAL REVENUE BY YEAR	124690659	103896950	74077936	127177085	109398551	539241181
GRAND TOTAL						539241181

- (1) Reflects 1985 TABs, 1987 TABs plus TAB debt service, and other cash expenditures including staffing
(2) Does not include CDBG & T.I. Funds

THESE FIGURES ARE COMPILED FROM PAST AGENCY BUDGETS AND ARE INTENDED TO BE
ILLUSTRATIVE AND NOT EXACT EXPENDITURES

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OPERATING EXPENDITURES FOR HOUSING & HOUSING SUPPORT SERVICES

	1987	1988	1989	1990	1991	SUBTOTALS
PUBLIC HOUSING						
Administration	168913	207758	248034	260435	273456	1158596
Housing Management	2275796	2563513	3167481	3325855	3492147	14824792
CENTSO	345460	336944	440038	462039	485140	2069621
Site Maintenance	1326099	1515329	2179027	2287978	2402377	9710810
Maintenance/CIAF	3066583	3340052	3927746	4124133	4330339	18788853
Lease Housing	961654	1194065	1372068	1440671	1512704	6481162
						53033834
SUBTOTAL PUBLIC HOUSING	8144505	9157661	11334394	11901111	12496163	53033834
COMMUNITY SERVICES						
Administration	251698	334479	675102	708857	744300	2714436
Nutrition	1409200	1522458	1718166	1804074	1894278	8348176
Foster Grandparent/RUSF/SCP	634560	576246	622913	654059	686762	3174540
Gateway III	0	383276	571666	600249	630261	2185452
Gateway I/II/CIAHS	441400	554921	786559	825887	867181	3475948
						19898552
SUBTOTAL COMMUNITY SERVICES	2736858	3371380	4374406	4593126	4822782	19898552
Housing Debt Service	7918725	6435000	287000	301350	316417	15258492
Housing Assistance Payments	12045121	13943000	16429702	17251187	18113746	77782756
Rehabilitation Administration	1139987	1236451	1236818	1298659	1393592	6305507
CD Administration	411944	743529	868334	911751	957339	3892897
Construction Monitoring Administration	352556	669479	826489	867813	911204	3627541
Housing Development Administration (3)	405811	568047	915578	1152701	1234453	4276590
Homeless Administration (2)	0	131646	287529	301905	317000	1038080
Agency Administration (1)	1400000	1400000	1800000	1890000	1984500	8474500
YEARLY TOTALS	34555807	37656193	38360250	40469603	42547196	193588749
TOTAL HOUSING EXPENDITURES						193588749

(1) Represents 50% of budgeted amount per year.

(2) 1987 Administration costs of \$72,000 included in CD Administration budget

(3) Assumes Proposed Staffing Augmentations Adopted

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(28)

PROGRAM & CAPITAL EXPENDITURES FOR HOUSING

	NEW PROGRAM & POLICY INITIATIVE #	1987	1988	1989	1990	1991	5 YEAR TOTAL
NEW PROGRAM EXPENSES							
Trustfund Lawsuit	I(a)	0	0	40000	10000	0	50000
County Developer Fees-Consult	I(a)	0	0	10000	0	0	10000
Alternate Tax--Legal	I(b)	0	0	10000	0	0	10000
Alternate Tax Referendum	I(b)	0	0	0	0	100000	100000
Article 34 Referendum	XIII	0	0	20000	20000	20000	60000
CRA Study/Lenders	II	0	0	20000	10000	5000	35000
Downtown Housing Study	III	0	0	30000	70000	0	100000
Bond Administration Audits	XIV	0	0	15000	10000	10000	35000
Housing Annual Report	XIX	0	0	5000	5000	5000	15000
REHABILITATION	EXISTING	4200000	1300000	4000000	7000000	7000000	23500000
HOMELESS Programs	EXISTING	1199300	2039469	1862379	2419793	2491543	10012484
PUBLIC HOUSING Drug Program	XI	0	0	140000	200000	225000	565000
NHS	EXISTING	0	50000	75000	75000	75000	275000
FAIR HOUSING	EXISTING	0	245000	245000	245000	245000	980000
CAPITAL IMPROVEMENTS							
Cotton Lane Acquisition	EXISTING	0	0	50000	0	0	50000
Del Paso Hts Replacement Housin	EXISTING	0	175000	10635	0	0	185635
Relocation Assistance	EXISTING	0	0	19456	0	0	19456
Oak Park Housing Development	EXISTING	0	0	58420	0	0	58420
Oak Park Self Help Housing	EXISTING	0	0	115000	0	0	115000
Housing City CIAP 1988	EXISTING	0	0	3580040	0	0	3580040
CIAP Carry Forward	EXISTING	0	0	4915920	0	0	4915920
Camelia Center	EXISTING	0	0	5000	0	0	5000
Orleans	EXISTING	0	4806	7194	0	0	12000
Glen Ellen	EXISTING	0	0	650000	0	0	650000
MBI/Mogavero	EXISTING	142000	0	0	0	0	142000
RJB 16th/K	EXISTING	700000	0	0	0	0	700000
Public Housing Site Acquisition	EXISTING	0	0	700000	0	0	700000
T Street Acquisition	EXISTING	0	0	228000	0	0	228000
Fairgrounds Acquisition	EXISTING	0	0	300000	0	0	300000
Self Help Housing	EXISTING	0	0	65820	0	0	65820
Alkali Ownership Sites	EXISTING	0	0	189156	0	0	189156
OP Neighborhood Housing Service	EXISTING	0	62604	68736	0	0	131340
OP Housing Development	EXISTING	0	0	1288924	0	0	1288924
OP Residential Improvements	EXISTING	0	0	890829	0	0	890829
South Sacramento Self Help Hous	EXISTING	0	0	105000	0	0	105000
Laguna Creek Development	EXISTING	0	1256800	0	0	0	1256800
Citrus Heights Development	EXISTING	0	808400	0	0	0	808400
Arden Arcade Development	EXISTING	0	0	1436730	0	0	1436730
Elk Grove Family Residences	EXISTING	0	818400	0	0	0	818400
City Scattered 48 Sites	EXISTING	0	0	2903520	0	0	2903520
County Scattered 48 Sites	EXISTING	0	0	2903520	0	0	2903520
Public Housing Construction	EXISTING	0	300000	0	0	0	300000
Walnut Grove Family Residences	EXISTING	0	718000	0	0	0	718000
Rio Linda Family Residences	EXISTING	0	11000	0	0	0	11000
Alkali Special Rehabilitation	EXISTING	0	178000	0	0	0	178000
Ping Yuen	EXISTING	200000	0	0	0	0	200000

11th & G	EXISTING	431000	0	0	0	0	431000
Detox	IX	400000	0	0	0	0	400000
Kennedy Estates	EXISTING	41400	0	0	0	0	41400
SRD Rehabilitation	EXISTING	300000	0	0	0	0	300000
Rio Linda	EXISTING	271000	0	0	0	0	271000
Oak Park Housing	EXISTING	1463000	0	0	0	0	1463000
Walnut Grove Replacement Housing	EXISTING	7000	0	0	0	0	7000
NHS Oak Park	EXISTING	68000	0	0	0	0	68000
Oak Park Residential	EXISTING	890000	0	0	0	0	890000
SAEH	EXISTING	16000	0	0	0	0	16000
Weave	EXISTING	80000	0	0	0	0	80000
Fisher New Downtown SRD	IV	0	0	0	600000	0	600000
Woodhaven	EXISTING	0	0	500000	300000	300000	1100000
SRD Program							
new construction	IV	0	0	0	2000000	2000000	4000000
rehabilitation	IV	0	0	0	1000000	1000000	2000000
N.E. Neighborhood	XVI	0	0	0	5600000	1300000	6900000
Site Acquisition, & Subsidy							
Southside Housing Rehab	VII	0	0	0	0	200000	200000
Southside New Construction	VII	0	0	0	0	1000000	1000000
4th & T St	XVI	0	0	0	0	600000	600000
18th & L St	XVI	0	0	0	0	750000	750000
Local Homesteading/HOHAP	VII	0	0	125000	250000	500000	875000
Home Loan Counseling	VII	0	0	0	20000	22000	42000
Mather Housing	VIII	0	0	0	0	0 (1)	0
Detox Relocation	IX	0	0	0	4000000	0	4000000
100 Bed Homeless Shelter	XVI	0	0	260000	0	0	260000
Misc Multifamily Development/	XVI	0	0	0	1000000	1000000	2000000
Site Acquisition from T.I.							
Housing Preservation/OPT Outs	V	0	0	0	0	0	0
Self Help	EXISTING	0	0	0	50000	50000	100000
Oak Park Homeownership	VII	0	0	0	200000	200000	400000
Del Paso Homeownership	VII	0	0	0	500000	500000	1000000
Mobile Home Program	XVII	0	0	0	0	0 (1)	0
Meadowview	VII	0	0	50000	0	0	50000
Riverview Plaza	EXISTING	7000000	6000000	0	0	0	13000000
BOND/MCC PROGRAMS	EXISTING	68054000	46200000	6250000	60000000	41000000	221504000
YEARLY TOTALS		85462700	60167479	34149279	85584793	60598543	325962794
GRAND TOTAL							325962794

Source: 1987, 1988, & 1989 Housing & Redevelopment Agency Budgets

(1) No Funding until 1993

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S E C T I O N V

STAFFING IMPLICATIONS

Implementation of this aggressive housing program has staffing implications. The primary Divisions involved in the implementation of the major components of this housing strategy are: Housing Development and Housing Rehabilitation. A description of the two Divisions and the staffing requirements necessary to implement this program over the next three years are described below.

I. Housing Development

1. The Division has three main functional sections:

a) Housing Finance Programs and Policy Development.

This section is responsible for developing housing finance programs and identifying potential housing finance sources. In this role, staff will apply for and monitor State and Federal grants, coordinate the issuance of multifamily bonds, and create a local equity fund and lender consortia. The section also takes the lead in developing new housing policies and programs;

b) Homeownership Programs and Compliance Monitoring.

This section is responsible for administering and developing homeownership programs such as our Single Family Bond Program and Mortgage Credit Certificates. The section will also take the lead in developing and implementing other new homeownership programs (e.g., HOHAP and Nehemiah). Finally, the section handles the regulatory compliance monitoring function of our multifamily bond, density bonus, Agency financed and trust fund projects; and

c) Housing Development.

This section is responsible for implementing the Developer Assistance programs and negotiating with developers on appropriate Agency subsidy amounts. It works directly with developers on the creation of low income housing, and staffs the Agency's non-profit development corporation.

2. Specific Staffing Needs

To implement this housing finance program several additional staff are requested in 1989, 1990, and 1991. (Attachment 1 outlines each current staff person's responsibilities and what duties will be accomplished with each additional staff person.) A new Associate Planner is requested in 1989 for the Housing Finance and Policy Section. This person will

primarily be charged with developing the Downtown housing plan, implementing the Article 34 Referendum requirement, developing a policy on land banking sites in new proposed developments, working with the County on fee waiver and code enforcement proposals, and implementing the Southside Park housing strategy. It is expected that existing staff will be busy with Federal and State grant applications and other housing policy development issues so that the above referenced tasks will not be accomplished, save for a new staff person.

A second new staff person is requested in 1989 to assist in the Homeownership Section. This person will take over responsibility for the MCC Program and will concentrate his/her efforts in setting up and monitoring our Bond Administration program. To date, we have not had the staff time necessary to monitor the performance of outstanding bond issues. Specifically, we intend to: 1) improve oversight of our Single Family Bond Program administrators and trustees and possibly transfer the administrator's function to the Agency (Fees would accrue to the Agency for taking over this responsibility); and 2) remove one specific bond trustee; and 3) coordinate and review audits of existing Bond programs. This person will enable the current Senior Program Analyst to dedicate her time to develop the 1990 Single Family Bond issue, work with the Redevelopment staff on the Oak Park and Del Paso Heights homeownership programs, develop the City/County-wide Home Loan Counseling Center proposal, and develop the HUD foreclosure or boarded and vacant property purchase programs to be implemented in 1990. Without this additional staff person, these programs, including bond administration will not be implemented.

In 1990, the Housing Finance and Policy Section will request a new assistant/associate planner whose primary responsibility will be to implement the Housing Finance Partnership, coordinate the issuance of multifamily tax exempt bonds, (which we believe will be a more active program, including the development of a proposal to pursue an "essential function" public purpose bond for housing purposes), develop the equity fund, develop the lender consortia, and continue to work on community reinvestment efforts.

Also, in 1990, assuming County adoption of a local Trust Fund for housing, and success with the City's Trust Fund lawsuit, the Housing Development Section will require a Senior Development Specialist. Existing staff will primarily be involved in implementing the SRO policy adopted by the Council in May, 1989. This proposal included \$7 million in funding for SRO's, of which we believe \$2-3 million in local funds plus several million in State Proposition 77 and 84

funds would be available in 1990. The new Senior Development Specialist position will be responsible for project development and proforma analysis on non-SRO projects that are already known and include: Second Mutual Housing project, 18th and L Street project, assisting the opt-out projects, midtown senior housing project and other projects that will be requesting funding under the Trust Fund and Proposition 77 and Proposition 84 State Funds.

The Homeownership Section will likely need one more Program Technician in 1991, to monitor new Trust Fund projects and other Agency subsidized projects (e.g., density bonus projects, Woodhaven, and 1111 G Street). Staff currently has not had time to monitor these projects. Finally, the current Senior Program Analyst will be recommended for a reclassification to a Program Manager, in 1990.

3. New Job Classification

A new Development/Finance Specialist job classification is proposed. This job series will be more oriented toward the real estate development and finance skills required of Housing Development and Redevelopment Staff. The current Planner job series does not capture these needed skills. A proposed classification description is included as Attachment 2. Once approved through the 1990 budget process, this job classification will apply to new positions allocated to the Housing Development Unit in 1990, and beyond.

II. HOUSING REHABILITATION

1. The Division has two main functional sections:

a) Investor Programs and Special Projects.

This section is responsible for providing financial and technical assistance to investor owners of affordable rental housing and targeted commercial properties. This section also provides technical support to other agency divisions on special projects and will be responsible for the acquisition and rehabilitation of properties for inclusion into the Agency's conventional housing program. Programs administered include, the Rental Rehabilitation Program, the Multi-family Section 312 Rehabilitation Program, the Commercial Revitalization Program (technical assistance), Proposition 77 & 84, Acquisition with Rehabilitation Program, Moderate Rehabilitation (anticipated), SRO Rehabilitation and Special Projects.

b) Homeowner Rehabilitation and Handicap Retrofitting.

This section is responsible for providing financial and technical assistance to owner-occupants interested in completing home repairs, and handicapped individuals in completing home accessibility modifications. Programs administered include CDBG Housing Rehabilitation Loan Programs (including HOHAP), the Section 312 Rehabilitation Loan Program, the State Deferred Payment Rehabilitation Loan Program, the Emergency Home Repair Grant Program, and Handicap Retrofit Grant Program.

2. Background on Division Staffing

Since 1985, 13 positions have been eliminated from the Housing Rehabilitation Division. These positions include: one Property Rehabilitation Supervisor, one Technical Supervisor, eight Property Rehabilitation Specialists, one Technical Specialist, one Drafting Technician, and one Typist Clerk I/II. These positions were primarily eliminated through attrition and transfers as various responsibilities were transferred to other sections or programs were terminated. To further mitigate the impact of the loss of staff, the program delivery process was streamlined, thus reducing the level of service provided and allowing for higher caseloads and output per staff year.

Several programs and responsibilities that were transferred to other Divisions or were eliminated, have now been reassigned to the Division, including Acquisition with Rehabilitation, Moderate Rehabilitation and special projects. Additionally, programs such as the Rental Rehabilitation Program and the Commercial Revitalization program have increased activity. Further, the renewed emphasis on neighborhood preservation and new funding sources such as Proposition 77 and 84 will result in additional staff responsibilities. With staff caseloads at already high levels, this leaves the Division with a critical shortage of staff.

3. Specific Housing Rehabilitation Staffing Needs

a) Public Housing Development - Acquisition with Rehabilitation.

Under this program, the Agency will purchase and rehabilitate up to 100 three-bedroom dwelling units. These units will then be added to our conventional stock for rent to lower-income families. In addition to providing low-income housing, this program will aid in achieving

community development objectives by rehabilitating neighborhood housing stock. We anticipate entering an Annual Contributions Contract with HUD by September of 1989. The 100 units slated for rehabilitation will be purchased within the following twelve (12) months. Rehabilitation will be completed in the succeeding eighteen (18) months. There are currently no technical staff assigned to this program. To implement, two positions are requested, one Technical Specialist II and one Typist Clerk III. Funding for these positions will be derived from administrative funding provided under the program. The requested positions will be recruited and hired immediately.

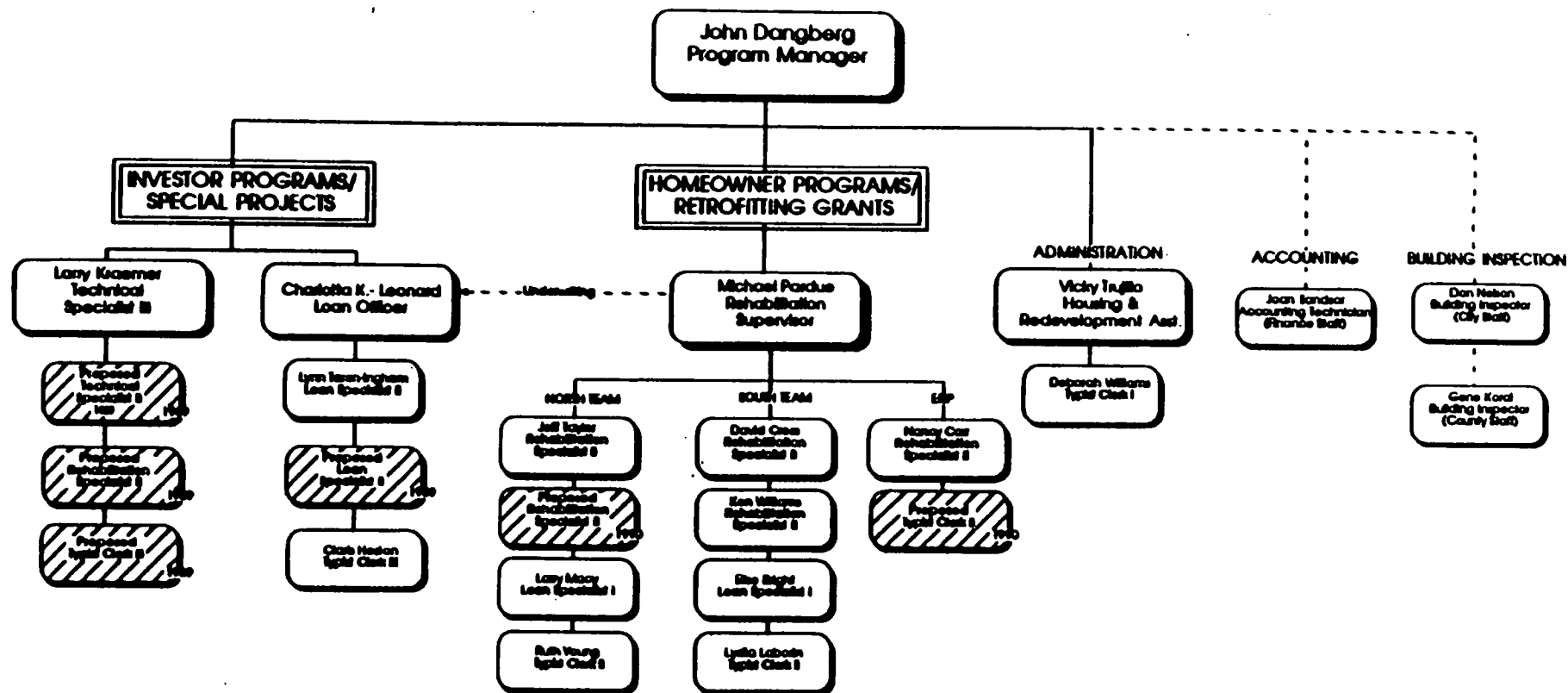
b) Rental Rehabilitation Program.

The Rental Rehabilitation Program (RRP) provides for the rehabilitation of rental property in targeted areas. Sacramento has been a very successful participant in the program and has received an award and bonus funding for production. Recent notable projects include the 36-unit Glen Ellen project in the City and the 200-unit Parkside Terrace Apartments in the County. Administration of both the City and County allocations has been by one Loan Officer as a part-time responsibility and one Property Rehabilitation Specialist, also as a part-time endeavor. With the growth of the program, many hours of overtime have resulted; part-time administration is no longer feasible and additional assistance is a necessity. Two positions are requested: a Loan Specialist II and a Property Rehabilitation Specialist II. Funding for these positions will be partially paid from administrative funding provided under the RRP and partially paid from Community Development Block Grant Revolving funds. The Loan Officer and the existing Property Rehabilitation Specialist will be busy with expanded marketing of the RRP, Moderate Rehabilitation, Proposition 77 and 84, SRO Rehabilitation, and Special Projects. The requested positions will be recruited and hired immediately.

c. Homeowner Rehabilitation and Handicap Retrofitting.

A recent HUD Monitoring Report indicated that these programs are operating at a production level well above the upper quartile of the National Average and that staff are carrying very large case loads. The proposed renewed emphasis on neighborhood revitalization will require specialization and deeper involvement of staff in the community. Two additional positions are requested for 1990. One Property Rehabilitation Specialist II and one Typist Clerk I/II. As the rehabilitation loan portfolio expands, monitoring of the portfolio is also increasing.

Staff must complete reviews of deferred/forgiven loans, handle probates and senior lien holder foreclosures and follow-up on Agency loans in default. In 1990-91 a large number of deferred/forgiven loans are due for review. These loans must be reviewed in detail to determine eligibility for loan forgiveness and continued deferrment. One additional Typist Clerk II will be required in 1991, to assist in this operation. This position will be funded through CDBG revolving loan funds.



HOUSING REHABILITATION DIVISION

COMMUNITY DEVELOPMENT DEPARTMENT

REORGANIZATION PROPOSAL 1 - 7/89

SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY

Bina Lefkovitz
Director

HOUSING DEVELOPMENT

Lester Smith
Program Manager

Proposed 1990
Senior Development
Specialist

Laura Sobottka
Associate Planner

HOUSING FINANCE AND
POLICY DEVELOPMENT

Jim Carney
Program Manager

PRIVATE FINANCE

Proposed 1990
Assistant Planner

PUBLIC FINANCE

Susan Bloch
Associate Planner

POLICY DEVELOPMENT
DATA COLLECTION

Proposed 1989
Associate Planner

Housing Development Division

COMMUNITY DEVELOPMENT DEPARTMENT

Organization Structure

Sacramento Housing and
Redevelopment Agency

HOMEOWNERSHIP

Cassandra Jennings
Program Manager (1)

PROGRAMS

Proposed 1989
Assistant Planner

Lois Johnson
MCC Processor

Debra D'Angellis
MCC Processor

COMPLIANCE

Tom Zeidner
Program Tech

Proposed 1991
Program Tech

1989 - 1990 STAFFING NEEDS
HOUSING DEVELOPMENT UNIT

1989 Existing Staff Responsibilities:	1989 Staff Augmentation:	1990 Staff Augmentation:	1991 Staff Augmentation:
A) <u>Housing Finance/Policy Development</u>			
(PROGRAM MANAGER, ASSISTANT PLANNER)	(ASSOCIATE PLANNER)	(ASSOCIATE PLANNER)	(NONE)
<ul style="list-style-type: none"> -Alternative Local Tax for Housing -Trust Fund Developer Assistance Program -Private Initiatives BIA -City Code Enforcement Task Force -Southside Housing Strategy -CRA-HMDA Analysis/Lender Meetings -20% Tax Increment Set-Aside Policy -Proposition 77/84 State Funds (Monitoring Nofa's and Regulations Funding Projects) -Federal Legislative Review -City Fee Waiver Proposal -Public Housing Application -Mod Rehabilitation Application -HUD 202 -Cranston/D'Amato Federal Grant Applications (1990) -1989 Current Refunding 	<ul style="list-style-type: none"> -Federal HAP Update -Southside, Implementation of Strategy -Land Banking Program (Agency Purchase of Sites) in New Development -Downtown Housing Plan -Asset Management Program 	<ul style="list-style-type: none"> -County Fee Waiver Proposal and Policy -County Code Enforcement Proposal and Policy -Monitoring Fair Share Plan, Article 34 -Multifamily Tax Exempt Bond Financing Programs and Refundings -Development of Equity Pool -Trust Fund Administration -Tax Increment 20% Administration -Lender Consortium -CRA-HMDA Update -Article 34 Referendum -Annual Housing Report and Needs Analysis 	
B) <u>Housing Development</u>			
(PROGRAM MANAGER, ASSISTANT PLANNER)	(NONE)	(SENIOR DEVELOPMENT SPECIALIST)	(NONE)
<ul style="list-style-type: none"> -County Trust Fund Proposal -City Trust Fund Lawsuit -Woodhaven Project -Glen Ellen -Golden Hotel Section 8 Mod-Rehab -16th & O Street New SRO in CADA Area -SHDC-Structure of Non-Profit Board -Analysis of Prop. 84/77 Projects -Analysis of Opt-Out Projects -SRO Implementation Strategy 		<ul style="list-style-type: none"> -Develop T & Fourth Street Site -Implement Developers Assistance Program -Second Mutual Project -Develop Other Agency Land-Banked Sites -Mobile Home Park Program 	

ATTACHMENT 1 (Con't)

1989 Existing Staff
Responsibilities:

1989 Staff
Augmentation:

1990 Staff
Augmentation:

1991 Staff
Augmentation:

C) Homeownership Programs/Compliance Monitoring

- (o SENIOR PROGRAM ANALYST
- o MORTGAGE CREDIT CERTIFICATE PROCESSOR
- o MORTGAGE CREDIT CERTIFICATE PROCESSOR
- o PROGRAM TECHNICIAN)

(o ASSISTANT PLANNER)

NONE
(o RECLASSIFY SENIOR PROGRAM ANALYST to PROGRAM MANAGER)

(o PROGRAM TECHNICIAN)

- Administer Mortgage Credit Certificate Program
- Home Ownership Home Assistance Program (HOHAP)
- Monitor 1988 Single Family Bond Program Use of Bond Proceeds
- Monitor Regulatory Compliance of Multifamily Bond Projects
- Monitor 17th Street Commons Regulatory Compliance

- Bond Program Administration
- Prepare for 1990 Single Family Bond Issue
- Develop Home Loan Counseling Proposal
- Assist with Del Paso Heights and Oak Park Homeownership Request for Proposal (RPP)
- Pursue Nehemiah Funds
- Develop HUD Foreclosure and/or Boarded and Vacant Property Purchase and Rehabilitation Program
- Density Bonus Compliance Monitoring

- Monitor Regulatory Compliance of Agency Assisted and Trust Fund Assisted Projects
- Data Collection and Analysis

PROPOSED
CLASS SPECIFICATION
for
SENIOR DEVELOPMENT AND FINANCIAL SPECIALIST

DEFINITION

Under general direction, performs financial and feasibility analysis of project proformas, analyzes legislation pertaining to Redevelopment, Community Development, and Housing, and represents Agency before public and private organizations and financial institutions; and to develop and increase Agency revenues and to leverage private sources of funds for project and program development; and performs other related duties as assigned.

EXAMPLES OF DUTIES

Develops, plans and coordinates mortgage and construction financing, rehabilitation funds, tax increments, industrial development bonds, and other revenues through tax-exempt bond issues, and other public and private revenues.

Researches, compiles and writes detailed financial reports analyzing and recommending revenue source alternatives.

Develops and implements strategies to leverage private funds with public monies to use in redevelopment and housing projects; develops grant proposals and pursues fund raising efforts as appropriate.

Reviews and recommends improvements in loan programs administered by the Agency; develops appropriate policy guidelines and program procedures.

Prepares analyses and reports on the impact of legislation and governmental regulations upon programs.

Prepares financial and analytical reports for policy review and development.

Leads and participates in marketing Agency funding programs to the development community.

Reviews financial feasibility of proposed development and recommends the appropriate level of Agency assistance.

Negotiates the real estate details of loans that the Agency subsidizes.

Development and Financial Specialist
Page Two

Examples of Duties (continued)

Serves as lead staff to non-profit development corporation.

Selects and recommends the retention of consultants, prepares requests for proposals, negotiates contracts, and directs and evaluates the work to be performed.

Works with financial institutions, brokers, developers, attorneys, building and lending industry representatives, the general public, and governing boards and commissions to develop and implement housing finance programs.

Administers, monitors and evaluates bond or mortgage credit certificate programs; resolves problems that may arise; and develops policies and procedures to enhance program operations.

QUALIFICATIONS

Knowledge of:

Tax increment financing; commercial, investment and mortgage banking practices and procedures; tax-exempt securities and money markets; real estate and public finance; the lending and investment programs of financial institutions and insurance companies; legislative processes relating to housing and redevelopment programs; project economics, and bond project development issues.

Ability to:

Plan, organize, and direct complex multiple activities. Research and interpret data concerning cost of money, prices, yields, and future trends; analyze and interpret information contained in financial reports, periodicals, and feasibility studies; interpret legislation as it impacts upon Agency programs, preside over meetings and present complex material clearly; act as an Agency contact with the general public, write reports; make decisions and take effective action in response to problems that may arise; establish and maintain cooperative working relationships; coordinate program activities; exercise sound judgement.

Experience and Education:

Any combination of experience and education that could likely provide the required knowledge and abilities may be qualifying. A typical way to qualify would be:

Development and Financial Specialist
Page Three

Qualifications (continued)

Experience:

Three years experience as a financial analyst or at an advanced analytical level with housing development, real estate or financial issues, in a Housing Authority or Redevelopment Agency, in commercial, mortgage, or investment banking, real estate or public finance, municipal underwriting or consulting.

Education:

A Master's Degree in Business Administration, Real Estate, Public Administration, Economics, Public Policy, Urban Planning, or a related field, preferably with an emphasis on Banking and Finance. (Additional qualifying experience may be substituted for the required education on a year-for-year basis.)

1884D

SUMMARY OF STAFFING CHANGES
1989-1991

I 1989 Recommended Changes

<u>A. New Staff Housing Development</u>	Costs (Includes Benefits)	Anticipated Funding Source
One (1) Associate Planner (for Housing Policy and Finance)	<u>\$13,600</u>	<u>MRB</u>
One (1) Assistant Planner (for Homeownership Programs)	\$12,500	MRB
<u>B. New Staff Housing Rehabilitation</u>		
a)(1) Tech Specialist II (Public Housing Develop.)	\$14,630	Aquis Rehab Admin
b)(1) Typist Clerk III (Public Housing Develop.)	\$ 9,757	Aquis Rehab Admin
c)(1) Loan Specialist II (Rental Rehab.)	\$12,728	Rental Rehab
d)(1) Property Rehab Specialist II (Rental Rehab.)	\$14,630	Rental Rehab
<u>C. Create New Classification</u> Development/Finance Specialist in Housing Development	No Cost	

II 1990 Recommended Changes

<u>A. New Staffing Housing Development</u>		
One (1) Associate Planner (for Housing Policy & Finance)	\$47,880	T.I.
One (1) Senior Development Specialist (for Housing Development)	\$54,531	Trust Fund

ATTACHMENT 3 (Con't)

B. New Staff Housing Rehabilitation

One Property Rehab Specialist II (Homeownership Rehab)	\$46,085	Tax Increment/ CDBG Revolving Fund
One Typist Clerk II (Homeownership Rehab)	\$26,758	Tax Increment/ CDBG Revolving Fund

III 1991 Recommended Changes

A. New Staffing Housing Development

One (1) Program Technician (for Trust Fund Compliance Monitoring)	\$31, 920	Trust Fund
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B. New Staffing Rehabilitation

One (1) Typist Clerk II	\$28,095	CDBG Revolving Loan Fund
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SECTION VI
STATISTICS & SUMMARY DATA

TABLES

1. Summary of Public Housing Projects
2. Summary of Section 8 ACC's
3. Summary of Federally Assisted Housing Units
4. List of Density Bonus Projects
5. CDBG Summary of Use of Funds - 1989
6. Rehabilitation: Number of Loans,
by Type by Year.....1987-1989
7. Summary of Single-Family and
Mortgage Credit Certificate Program
8. Summary of Multi-Family Bond Issues
9. Summary of Homeless Shelters

TABLE 1

PUBLIC HOUSING INVENTORY
CITY AND COUNTY HOUSING AUTHORITIES

<u>Date of Initial Occupancy</u>	<u>Total Units</u>	<u>City</u>	<u>County</u>
1942	478	310	168
1950	450	450	-0-
1962	100	-0-	100
1971	476	476	-0-
1972	186	186	-0-
1973	108	108	-0-
1976	112	112	-0-
1977	8	8	-0-
1979	476	373	103
1981	40	40	-0-
1982	24	24	-0-
1983	153	16	137
1984	54	34	20
1985	72	-0-	72
1986	287	35	252
1987	20	-0-	20
<u>Total Occupied</u>	3,044	2,172	872
1988 Acq & Rehab	100*	50	50
1988 New Const	<u>150**</u>	<u>75</u>	<u>75</u>
<u>TOTAL UNITS</u>	3,294	2,297	997

*To be purchased

**To be built

TABLE 2

SECTION 8 & VOUCHER ALLOCATIONS
CITY AND COUNTY HOUSING AUTHORITIES

<u>Allocation</u>	<u>Total</u>	<u>City</u>	<u>County</u>
648) 1975	284	132	152
) 1976	-0-	-0-	-0-
) 1977	131	63	68
) 1978	233	233	-0-
2,636) 1979	1,208	571	637
) 1980	689	-0-	689
) 1981	739	637	102
) 1982	-0-	-0-	-0-
) 1983	205	180	25
388) 1984	-0-	-0-	-0-
) 1985	183	87	96
) 1986	285	67	218
) 1987	287	150	137
Total	<u>4,244</u>	<u>2,120</u>	<u>2,124</u>
Aftercare	142	-0-	142
Moderate Rehabilitation	<u>100</u>	N/A	N/A
TOTAL	4,486		

NO NEW CERTIFICATES RECEIVED IN 1988 OR 1989
ONE HUNDRED NEW VOUCHERS RECEIVED IN 1989

TABLE 3

FEDERALLY ASSISTED LOW-INCOME TENANT RENTALSSHRA Owned (1/13/88)

Conventional Public Housing (Occupied)	2,774*	
LMSA	172	
Section 8 (CHFA financed)	34	
Tax Increment financed	64	
		3,044

SHRA Administered Section 8

Section 8 Existing	3,609	
Section 8 After Care	142	
Section 8 Mod Rehab	100	
Vouchers	635	
		4,486

Privately Owned

	<u>Loan Assistance</u>	<u>Section 8</u>	
Section 202	503	500	
Section 207	116	114	
Section 221(d)(3)BMIR	360	175	
Section 221(d)(3)MR	412	72	
Section 221(d)(4)	2,140	990	
Section 223d	278	0	
Section 231	634	423	
Section 233(c)/236	263	262	
Section 236	3,548	1,412	
Other	208	208	
	8,462		4,156
			11,686

*Does not include 250 units under new construction and proposed acquisition and rehab.

TABLE 4
COMPLETED COUNTY DENSITY BONUS PROJECTS

<u>DATE OF APPLICATION</u>	<u>C.O. DATE</u>	<u>PROJECT NAME</u>	<u>PROJECT LOCATION</u>	<u>PROJECT TYPE</u>	<u># OF UNITS</u>	<u>TERMS OF SET-ASIDE</u>
07/11/83	04/03/85	Oak Glen Apartments	3816 Madison Ave. North Highlands	Rental Apartments	144	15% of units (22) are to be rented within 5% of HUD Fair Market Rents for 10 years from issuance of Certificate of Occupancy. 7.5%, or 11 of the 22 units, will be made available to holders of Section 8 Certificates. The 22 units will be rented to families whose annual income is below 80% of the median family income adjusted for family size. SHRA will be notified of vacancies and will verify the eligibility of tenants of those 22 units. The "below market rate" units shall be dispersed throughout the project and will be of the same size, quality, etc., as market-priced units.
09/29/83	11/23/84	Willowcreek Apartments	Willowcreek Dr. Citrus Heights	Rental Apartments	20	20% of units (4) are to be rented within 5% of HUD Fair Market Rents for 10 years from issuance of Certificate of Occupancy.

<u>DATE OF APPLICATION</u>	<u>C.O. DATE</u>	<u>PROJECT NAME</u>	<u>PROJECT LOCATION</u>	<u>PROJECT TYPE</u>	<u># OF UNITS</u>	<u>TERMS OF SET-ASIDE</u>
07/17/84	01/10/86	Bruce Hendon Property	4500 Perry Ave. South Sacramento	Rental Duplexes	6	20% of units (1) will be rented at a rate not exceeding HUD Fair Market Rents for 10 years from issuance of Certificate of Occupancy. The designated unit will be made available to holders of Section 8 Certificates. SHRA will be notified of vacancies and will verify, for a fee, the income eligibility of applicants. The project shall make a good faith effort to advertise the availability of units for Section 8 Certificate holders. The project will accept referrals for 30 days before renting to non-Section 8 tenants who otherwise meet HUD income qualifications. The "below market-rate" unit will be of similar size, quality, and number of bedrooms as market priced units.

<u>DATE OF APPLICATION</u>	<u>C.O. DATE</u>	<u>PROJECT NAME</u>	<u>PROJECT LOCATION</u>	<u>PROJECT TYPE</u>	<u># OF UNITS</u>	<u>TERMS OF SET-ASIDE</u>
12/10/85		Partridge Point Apartments	8761 Jackson Rd Rancho Cordova	Rental Apartments	240	15% of units (36) are to be rented at rates not exceeding HUD Fair Market Rents. The 36 designated units will be rented to persons with family incomes at or below 80% of median adjusted for family size. The income qualifications will be verified by SHRA, for which a fee may be charged to cover expenses. Project proponent will notify SHRA of vacancies and will agree to rent to Section 8 families. These conditions will be in effect for 10 years from issuance of Certificate of Occupancy.
01/01/86	02/09/87	Ralph Drayton Property	4530 Perry Ave. South Sacramento	Rental Duplexes	4	At least 25% of units (1) will be rented at rates not exceeding HUD Fair Market Rates for 10 years from issuance of Certificate of Occupancy. The designated unit will be made available to Section 8 tenants. SHRA will be notified of vacancies and will verify, for a fee, the income eligibility of applicants. Project will make a good faith effort to advertise the availability of units for Section 8 tenants. Project will notify SHRA of vacancies in Section 8 units and will accept referrals for 30 days before renting to non-Section 8 tenants who otherwise meet HUD income qualifications. The "below market rate" unit shall be of similar quality, size, etc., as market rate units.

<u>DATE OF APPLICATION</u>	<u>C.O. DATE</u>	<u>PROJECT NAME</u>	<u>PROJECT LOCATION</u>	<u>PROJECT TYPE</u>	<u># OF UNITS</u>	<u>TERMS OF SET-ASIDE</u>
09/16/87		Aguilera Property	44th Street and Sweetwater Avenue South Sacramento	Cluster Development	7	15% of units (1) shall be rented to persons with family incomes at or below 80% of median, adjusted for family size. The income qualifications shall be verified by SHRA for which a fee may be charged to cover expenses. Project proponent and any successors in interest shall notify SHRA when vacancies occur and shall agree to rent to families with Section 8 Certificates. These provisions shall be in effect for a minimum of 10 years from issuance of the Certificate of Occupancy.
07/14/83		Date Avenue Apartments	5519 Date Avenue North Highlands	Public Housing Units	20	Public housing project - is administered by the Housing Management Division.

CITY DENSITY BONUS PROJECTS

<u>PROJECT NAME</u>	<u>PROJECT LOCATION</u>	<u>PROJECT TYPE</u>	<u>NUMBER OF UNITS</u>	<u>TERMS OF SET-ASIDE</u>
1111 "G" Street	1111 "G" Street, Downtown Sacramento	Rental Apartments	57	20% of units (11) will be rented to persons with family incomes at or below 80% of area median adjusted for family size. Rents charged for designated units shall be "affordable rents" which do not exceed 25% of 80% of the area median income for a 2 person household. These terms shall remain in effect until January 4, 2001.
West Silver Eagle Avenue Project	West Silver Eagle Avenue, Gardenland Redevelopment Area South Natomas	Public Housing Units	10	Public Housing Project - to be administered by the Housing Management Division.

TABLE 5

COUNTY OF SACRAMENTO
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
1989 PROJECTED USE OF FUNDS

	<u>1989 PROPOSED BUDGET</u>
I. <u>CAPITAL IMPROVEMENTS</u>	
A. Target Area Improvements (See Attachment I)	\$976,000.00
SUBTOTAL	<u>\$976,000.00</u>
II. <u>HOUSING PROGRAMS</u>	
A. Housing Rehabilitation Loan Fund	\$440,000.00
B. Housing Rehabilitation Administration	435,000.00*
C. Emergency Repair Program	230,000.00
D. Relocation Program	15,000.00
E. Building Code Inspection	70,000.00
F. Nuisance Abatement	95,000.00
G. Section 108 Loan Repayments	947,000.00
H. Neighborhood Housing Services	75,000.00
SUBTOTAL	<u>\$2,307,646.00</u>

*The Housing Rehabilitation Division will administer programs in addition to the CDBG Loan Fund and the ERP Program including the approximately \$3.2 Million from the Rehabilitation Bond Fund, the Rental Rehabilitation Program, Section 312 Loans, and any other programs that become available. Additionally, approximately \$40,000 will be available for administration from the Rental Rehabilitation Program, a cost borne previously by the CDBG Program.

Note: An additional approximately \$400,000.00 of program income from the CDBG revolving loan fund will be available for loans in both the City and County.

County of Sacramento
1989 Projected Use of Funds
Page Two

III.	<u>PUBLIC SERVICES</u>	
A.	Housing Outreach Maintenance Education (HOME)	\$ 93,137.00
B.	South Area Emergency Housing	307,907.00
C.	Women Escaping a Violent Environment (WEAVE)	130,000.00
D.	Information and Referral	22,000.00
	<u>SUBTOTAL</u>	<u>\$553,044.00</u>
IV.	<u>ECONOMIC DEVELOPMENT</u>	\$100,000.00
V.	<u>ADMINISTRATION</u>	
A.	CDBG Administration	\$410,908.00
B.	Human Rights/Fair Housing Commission	122,500.00
	<u>SUBTOTAL</u>	<u>\$533,408.00</u>
VI.	<u>CONTINGENCY</u>	\$199,547.50
	<u>TOTAL</u>	<u>\$4,669.645.50</u>
	<u>SOURCE OF FUNDS:</u>	
	Entitlement Estimate	\$4,297,000.00
	Reprogrammed Funds	<u>372,645.50</u>
	<u>TOTAL</u>	<u>\$4,669,645.50</u>

*This provides funding to retain economic development programs on the targeted strips of Main Street in Isleton, M Street in Rio Linda, the River Road and Market Street in Walnut Grove, and Stockton Boulevard in South Sacramento.

TABLE 5
Continued

CITY OF SACRAMENTO
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
1989 PROJECTED USE OF FUNDS

	1989 PROPOSED BUDGET
I. <u>CAPITAL IMPROVEMENTS</u>	
A. Target Area Improvements (See Attachment I)	\$1,063,000.00*
SUBTOTAL	\$1,063,000.00
II. <u>HOUSING PROGRAMS</u>	
A. Housing Rehabilitation Loan Fund	\$ 340,000.00
B. Housing Rehabilitation Administration	285,000.00**
C. Emergency Repair Grants	170,000.00
D. Relocation Program	15,000.00
E. Building Code Inspection	80,000.00
F. Section 108 Loan Repayment	520,644.00
G. Neighborhood Housing Services	150,000.00
SUBTOTAL	\$1,560,644.00
III. <u>PUBLIC SERVICES</u>	
A. Workcreation	\$ 132,000.00
B. Shared Housing	50,000.00
C. Housing Outreach Maintenance Education (HOME) - Lutheran Social Services	10,390.00
D. Homeless Program for the Mentally Ill - TLCS	272,738.00
SUBTOTAL	\$ 465,128.00

*\$324,608.98 reprogrammed from surplus in East Del Paso Heights projects and \$108,000 reprogrammed from surplus in Gardenland/Norlto projects to finance 1989 projects in these respective areas.

**The Housing Rehabilitation Division will administer programs in addition to the CDBG Loan Fund and the ERP Program including approximately \$3.2 Million from the Rehabilitation Bond Fund, the Rental Rehabilitation Program, Section 312 Loans, and any other programs that become available. Additionally, approximately \$40,000 will be available from the Rental Rehabilitation program for administration, a cost borne previously by CDBG.

City of Sacramento
1988 Projected Use of Funds
Page Two

IV.	<u>ECONOMIC DEVELOPMENT</u>	\$ 200,000.00*
V.	<u>ADMINISTRATION</u>	
	A. CDBG Program Administration	\$ 338,888.00
	B. Human Rights/Fair Housing Commission	<u>122,500.00</u>
	SUBTOTAL	\$ 461,388.00
VI.	<u>CONTINGENCY</u>	<u>\$ 383,630.14</u>
	TOTAL	<u>\$4,133,790.14</u>
	<u>SOURCE OF FUNDS</u>	
	Estimated Entitlement	\$3,547,000.00
	Reprogrammed Funds	<u>586,790.14</u>
	TOTAL	<u>\$4,133,790.14</u>

*This allocation provides funding to retain economic development programs along the targeted strips of Twelfth Street, Franklin Boulevard, and Stockton Boulevard.

TABLE 6
REHABILITATION ACTIVITY
1987 - 1989

		<u>1987</u>				<u>1988</u>				<u>Through 6/89</u>	
	<u>City</u>			<u>County</u>		<u>City</u>		<u>County</u>		<u>City</u>	<u>County</u>
CDBG Loans	\$1,408,980	77		\$1,388,413	73	\$186,568	11	201,186	13	458,618	25
CDBG Grants	211,255	67		250,310	76	236,000	56	337,804	78	192,928	45
312 Loans	493,500	29		515,550	31	371,350	19	226,000	11	-0-	0
FIB Loans	37,800	2		69,900	3	18,100	1	-0-	0	-0-	0
SDP Loan	10,000	1		-0-	0	-0-	0	-0-	0	10,000	1
	<u>\$2,161,535</u>	<u>143</u>		<u>\$2,224,173</u>	<u>150</u>	<u>\$812,018</u>	<u>80</u>	<u>\$765,990</u>	<u>97</u>	<u>\$661,547</u>	<u>61</u>
ERP	89,463	82		81,360	82	202,874	166	234,148	218	36,808	26
RFP	153,102	47		457,039	266	220,501	108	341,041	76	252,593	77
312 Rental						66,400	3	533,100	62	-0-	0

TABLE 7

SUMMARY OF SINGLE FAMILY BOND AND MCC PROGRAMS

June 16, 1989

A)	<u>BOND ISSUE</u>	<u>AUTHORITY</u>	<u>LOANS ORIGINATED</u>	<u># LOANS</u>
			<u>YTD</u>	
	1980 ¹	\$ 13.4 million	\$ 10.5 million	203
	1982	\$ 31.9 million	\$ 13.4 million	203
	1983	\$ 30.0 million	\$ 29.1 million	415
	1984	\$ 44.8 million	\$ 10.6 million	120
	1987	\$ 34.8 million	\$ 33.2 million	382
	1988	\$ 46.2 million	\$ 30.0 million	357
		<u>\$201.1 million</u>	<u>\$126.8 million</u>	<u>1,680</u>

B)	<u>MCC PROGRAM</u>	<u>MRB AUTHORITY/ MCC ALLOCATION</u>	<u>LOANS ORIGINATED</u>	<u>NUMBER OF MCCS</u>
			<u>YTD</u>	
	1985	\$ 58.0 million/\$11.60 million ²	\$ 58.0 million	808
	1986	60.0 million/ 15.00 million	75.0 million	1,019
	1987	85.2 million/ 21.30 million	98.2 million	1,327
	1989 ³	25.0 million/ 6.25 million	7.0 million	99
		<u>\$228.2 million/\$54.15 million</u>	<u>\$238.2 million</u>	<u>3,253</u>

¹All Bonds paid off in June 1986.

²Conversion from Mortgage Revenue Bond Authority (MRB) to MCC Allocation was five to one in 1985. All other years, four to one conversion.

³Applications for the 1989 MCC allocation were accepted beginning May 15, 1989.

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TABLE 8

Exhibit 11-1

**SACRAMENTO COUNTY MULTIFAMILY HOUSING PROGRAM
SUMMARY OF ISSUES
1983-1988**

Title of Issue	Issue Date	Issue Amount	Mortgage Interest Rate	Lender	Credit Enhancement	No. of Projects	No. of Units
<u>1983 Issues</u>							
County Issue 1983A	03/01/83	\$10,265,000	9.875%	Sacramento Svgs.	Sacto. Svgs. CD	5	325
City Issue 1983A	04/01/83	\$15,830,000	10.000%	1st Nationwide	1st Nat. CD	1	520
<u>1984 Issues</u>							
County Issue 1984A	05/01/84	\$15,626,000	10.950%	Sacramento Svgs. Gibraltar	Industrial	5 1	632
County Issue B, 1984	06/01/84	\$ 9,700,000	9.600%	Security Pacific	Letter of Credit	1	332
<u>1985 Issues</u>							
County FNMA Issue I, 1985(1)	01/15/85	\$13,335,000	9.750%	Westland	Fannie Mae	8	454
County Series A, B, C, 1985	04/01/85	\$51,300,000	Variable	Dai-Ichi Kangyo Bank	Letter of Credit	3	1510
County Issue D, 1985	04/01/85	\$10,000,000	Variable	Home Federal	Industrial Indemnity	1	268

(1)

TABLE 8

Exhibit 11-1(cont.)

SACRAMENTO COUNTY MULTIFAMILY HOUSING PROGRAM
SUMMARY OF ISSUES
1983-1988

Title of Issue	Issue Date	Issue Amount	Mortgage Interest Rate	Lender	Credit Enhancement	No. of Projects	No. of Units
County Issue B, 1985	03/01/85	\$12,000,000	Variable	Conn. General	Conn. General	1	275
HA County FNMA, Issue II, 1985(2)	05/15/85	\$29,545,000	9.750%	Westland B. of America	Fannie Mae	9 1	941
HA County Issue C, 1985(3)	06/01/85	\$17,485,000	10.020% GPM	Guild Mortgage Colonial Mtg.	TICOR	3	492
HA County FNMA, Issue III, 1985(4)	09/01/85	\$40,230,000	10.000%	Westland Homestead Svgs. B of A Mortgage	Fannie Mae	9	1,208
HA County Issue D, 1985	09/01/85	\$14,400,000	10.250%	1st Nationwide	Letter of Credit	1	384
HA County Issue E, 1985	09/01/85	\$26,200,000	Variable	Dai Ichi Kangyo Bank	Letter of Credit	2	712
HA County Issue F, 1985	10/01/85	\$2,400,000	10.250%	1st Nationwide	Letter of Credit	1	64
HA County Issue L, 1985	11/01/85	\$14,550,000	Variable	1st Interstate	Standby Letter of Credit	1	368
HA County Issue M, 1985	12/01/85	\$2,600,000	10.225%	Security Pacific	Direct pay Letter of Credit	1	84

TABLE 8

Exhibit 11-1(cont.)

SACRAMENTO COUNTY MULTIFAMILY HOUSING PROGRAM
SUMMARY OF ISSUES
1983-1988

Title of Issue	Issue Date	Issue Amount	Mortgage Interest Rate	Lender	Credit Enhancement	No. of Projects	No. of Units
HA County Issue H, 1985, Series I and II	12/15/85	\$24,500,000	Variable	Dai-Ichi Kangyo Bank	Letter of Credit	2	684
HA County Issue G, 1985	12/01/85	\$ 8,000,000	10.225%	Security Pacific	Letter of Credit	1	248
HA County Issue N, 1985	12/01/85	\$ 8,500,000	9.625%	Bank of Mitsubishi	Unrated Bonds	1	240
HA County Issue J, 1985, Series I and II	12/01/85	\$16,900,000	Variable	Dai-Ichi Kangyo Bank	Letter of Credit	2	487
Co. of Sacto. Issue A, 1987	11/15/87	\$11,927,000	Fixed	Sovereign Bank	Private Placement to SCA Fund	1	294
Co. of Sacto. Issue A, 1988(5)	08/01/88	\$15,000,000	Variable	Homestead Savings	Direct pay Letter of Credit	1	284
Co. of Sacto. Issue B, 1988(6)	12/01/88	\$ 8,500,000		Tokai Bank, Ltd.	Direct pay Letter of Credit	1	240
TOTAL		\$378,792,000				63	11,048

- (1) \$ 8,535,000 in loans originated. 64% of the bond proceeds used.
 (2) \$18,114,000 in loans originated. 61% of the bond proceeds used.
 (3) All bonds redeemed due to financial problems of the Insurer, TICOR
 (4) \$28,645,000 in loans originated. 71% of the bond proceeds used.
 (5) This is a refunding of \$15,000,000 of the FNMA III, 1985 bonds.
 (6) This is a refunding of Issue N of 1985.

SOURCES: Official Statements; Sacramento Housing and Redevelopment Agency; Spear Street Advisors, Inc.

TABLE 9

LIST OF SHRA-FUNDED HOMELESS PROGRAMS

Emergency Shelters

The Salvation Army Men's Lodge: 80 single homeless men

The Salvation Army Winter Overflow Program: 60 single homeless men

The National Guard Armory Winter Overflow Program: 200 homeless men, women and children

The Volunteers of America Bannon Street Shelter: 55 homeless single men and seven homeless single women referred by the Department of Social Services

South Area Emergency Housing Center:
13 homeless families with children
24 homeless single women

Transitional Living and Community Support: 65 homeless mentally ill men and women

Women Escaping a Violent Environment: 30 homeless battered women and their children

Transitional Housing Programs

Resources for Independent Living: six homeless severely physically disabled men and women.

Transitional Housing Program for families: eight homeless families with children nightly, 70 families are served annually.

SHARE: Shared Housing And Resources Empowerment: up to 400 homeless single men and women.

** Please note all numbers given represent nightly capacity.

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