



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



7

May 31, 1988

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Budget and Finance
Committee of the City Council,
Sacramento, CA

Honorable Members in Session:

SUBJECT: Shared Housing Program for Homeless Shelter Residents
After Receiving General Assistance Benefits

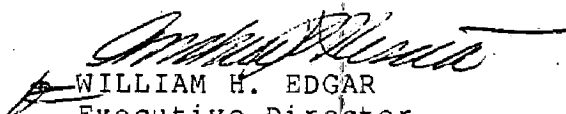
SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency of the City of Sacramento.


RECOMMENDATION

The staff recommends approval of the attached resolution approving the shared housing program implementation.

Respectfully submitted,


WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:


WALTER J. SLIPE
City Manager

Attachement



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



May 16, 1988

Redevelopment Agency of the
City of Sacramento
Sacramento, CA 95814

Honorable Members in Session:

**SUBJECT: Shared Housing Program for Homeless Shelter Residents
After They have Received General Assistance Benefits**

SUMMARY

In August, 1985, your Council approved staff recommendations establishing various emergency shelter programs in Sacramento. That report also included the recommendation that alternative shelter concepts be pursued. Among those was a concept of shared housing based on the successful completion of a 30-day stay in City/County funded homeless shelters, the application of screening criteria, and the desire of the individual to share housing and enter into a vendor payee relationship with the County Department of Social Services, a landlord, and Sacramento Housing and Redevelopment Agency (SHRA).

Staff, therefore, in cooperation with the County Department of Social Services, recommends the establishment of the Shared Housing and Resources Empowerment Program (SHARE). This recommended program would serve as a transitional housing program for previously homeless single men and women in their effort to integrate into the community.

BACKGROUND

The Transitional Housing Program for homeless families, operated by SHRA and Lutheran Social Services since December 1985, has been 65-70 percent successful in assisting families to permanently resolve their homelessness. Since July 1986, SHRA has contracted with Transitional Living and Community Support, Inc., to provide a shelter/transitional housing program for the homeless mentally ill. The success rate for this program has also been significant. The success rates of the above mentioned programs have demonstrated that transitional housing works when placed in a continuum of assistance to achieve independent living.

With the demolition and conversion of several downtown hotels, there has been a reduction of single room occupancy residences within Sacramento County for the General Assistance population. Other factors as well have combined to reduce the stock of units affordable to very low income individuals.

5-31-88
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We believe that the lack of low-cost transitional housing programs for non-mentally ill single persons has contributed to the continuation of homelessness among this population and has significantly influenced the incidence of homeless persons on our Downtown streets. Four primary reasons for this phenomenon can be cited:

1. Rents for one bedroom low-income apartments range from \$275 to \$350. At the same time, the current General Assistance grant for single persons is \$257. The current stock of single room occupancy hotel units is 830 rooms with a 90 percent occupancy rate. This resource is at risk of depletion.
2. National studies indicate that the longer a person remains homeless, the more difficult it becomes for that person to integrate back into society.
3. To access affordable housing, a person must typically acquire sufficient funds to pay: security deposit of \$125, first month's rent of \$325, last month's rent of \$325, and utility deposits of \$100. This amount generally totals between \$800 to \$1,000 for a one-bedroom apartment. Clearly, this is unachievable for the GA recipient. Without access to permanent housing, homelessness will most likely continue.
4. The overall low income housing stock has not kept pace with the increase in the poverty rate and increased need for low income housing (see Attachment A). Section 8 "opt outs" have widened the gap between units available and overall need.

The result of such a tight housing market is that many single persons are made homeless. To help the homeless, single, adult population obtain housing, therefore, SHRA in conjunction with the County Department of Social Services (DSS), is proposing a direct vendor payment program entitled SHARE -- Shared Housing and Resources Empowerment.

Under the program, SHRA will locate landlords for participation in the SHARE program and will lease apartments directly from the landlords. SHRA will guarantee occupancy, and payment of the first and last month's rent, security and utility deposits, as required. The tenant will be responsible for repayment of funds expended to SHRA. Potentially eligible General Assistance clients housed at area shelters are targeted for participation in the project. Participants will be chosen based on a thorough screening process for compatibility with the other members of the household. The screening process for shared housing would be similar to SHRA's Seniors Allied in Living ((SAIL) program.

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This program will enable homeless single persons to borrow, from an Agency-operated revolving fund, sufficient money to access housing with another GA recipient. Payback to the revolving fund as well as monthly rents will be made by means of a vendor payment program operated by the County Department of Social Services (see Attachment B).

Agency staff has made preliminary contact with property managers to determine their interest in renting 65, two-bedroom apartments in various locations throughout the City. We believe that location of these units is feasible, however, there were two major concerns voiced by the property managers: 1) rent guarantees; and 2) maintenance costs. As noted below, both of these concerns would be addressed somewhat by the program. Based on this, we believe that sufficient landlord interest exists to support the program. Each apartment will house two to three persons, accommodating a total of 130-150 persons by the end of the first twelve months of operation. We would propose scattering the units throughout the City with no more than ten (10) units in any one location. We also intend to phase in and evaluate the program with no more than 25 units leased within the first three months of operation.

An agreement has been made between SHRA and DSS for SHRA's acceptance of direct vendor payment from GA clients for housing. Any participant in the direct vendor program must voluntarily request the vendor payment for the SHARE program. The request for vendor payments must be made in writing. A notice of action will be sent advising the participant when direct vendor payments become effective.

Participation in the SHARE program direct vendor process can be stopped at any time at the recipient's request. The recipient must notify DSS when participation is no longer wanted. A notice of action will be sent to SHRA indicating that direct vendor payments are being stopped.

Rent Guarantee

As stated above, the commercial property managers contacted by Agency staff are most concerned that they be guaranteed rent payments from the lessee. Staff recommends that as prescribed below, a special vendor payment plan become policy to allow guaranteed payment of rent. In addition, SHRA, through the establishment of a revolving loan component of the SHARE program, will enable the homeless GA recipient to borrow sufficient funds to pay necessary deposits to acquire independent living. Direct

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vendor payments from the DSS to SHRA in repayment of the loan as well as payment of monthly rents will be the financial success of this program. Once the recipient is placed in his or her shared apartment, various social services will be applied, designed to encourage continued independent living and quick repayment of the loan made by the SHRA revolving fund.

Property Maintenance

Current General Assistance policy requires that all GA recipients commit to eight hours of public service per month. Staff will investigate the possibility that SHARE program participants be permitted to provide supervised light maintenance or security patrol at the apartment complex at which they reside. Property managers who were polled, indicated that in this way damage deposits could be kept at a minimum. Nevertheless, we are recommending establishment of a \$10,000 maintenance reserve account as part of the overall program should SHARE sub-lessees damage any of the properties occupied.

FINANCIAL DATA

Payment Process - SHARE

- A. Any General Assistance applicant/recipient accepted into the SHARE program must request direct vendor payment.
- B. A loan and lease agreement between SHRA and the tenant must be signed prior to the tenant's move to a SHARE residence.
- C. When a GA applicant advises the intake eligibility worker that he/she will be participating in SHRA's SHARE program, the applicant must sign an agreement allowing direct payment of rent to SHRA, before vendor payment may be authorized.
- D. Direct vendor payment will be authorized for applicants with the starting date of eligibility. If a recipient moves into an SHRA unit, the direct vendor payment will be effective with the first of the month following the recipient's request. (If the request is made after the Agency's fiscal cutoff, the date of approval will be the first of the following month.)

The wording of the notices of action and the detailed procedures for worker implementation will be determined at a later date. (Attachments "C" through "M" are various informational handouts and forms for use in the Program.)

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The one-time establishment of a \$100,000 revolving fund to meet the cost of various deposits will be needed. Staff recommends the use of Downtown Tax Increment funds for this purpose. The Agency is obligated to expend 20% of its tax increment revenue for the provision of low income housing. The \$100,000 will be taken from this fund. Vendor payments made by the County Department of Social Services to SHRA on behalf of the GA recipient/participant will guarantee a continued renewal of monies into the revolving fund. When clients/participants are no longer receiving General Assistance or wish to opt out of the vendor program, they may remain in the apartments by signing a separate sublease agreement with SHRA and continuing payments under the previously executed promissory note. Failure to repay their loan or failure to pay their rent will result in their eviction. However, in the long run, staff believes that the majority of clients/participants will successfully achieve independent living and permanent housing resulting in social service and shelter savings.

ENVIRONMENTAL REVIEW

None required. No physical project is proposed.

POLICY IMPLICATIONS

No new policy decisions are required in that various elements of the SHARE program already exist for other programs serving the homeless population. The SAIL program has established the shared housing concept and vendor payments are already being paid in other circumstances by DSS. State law already requires that 20 percent of all Tax Increment funds are to be used toward low income housing. The SHARE program simply directs the established policy toward the homeless population.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of May 16, 1988, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Amundson, Sheldon, Simon, Simpson, Wiggins, Wooley,
Yew, Moose
NOES: None
ABSENT: Pettit

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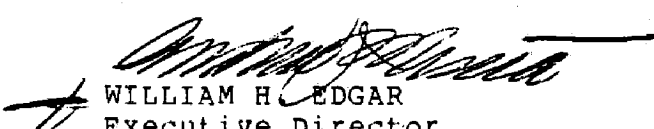
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RECOMMENDATION

Staff recommends approval of the attached resolution which:

1. Directs the Department of Social Services and Sacramento Housing and Redevelopment Agency to enter into all necessary agreements to establish the SHARE program.
2. Directs SHRA to establish a \$100,000 revolving fund with Tax Increment monies to be used for loans to clients/participants to assist them with necessary deposits to enter the SHARE program and oversee their case plan leading to independent living.
3. Directs SHRA to enter into necessary lease and sublease agreements with participating property managers and client/participants.
4. Directs SHRA to oversee and manage the day-to-day operation of the SHARE program.

Respectfully submitted,


WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: John Molloy, 440-1360

2410WPP(5)

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

May 31, 1988

APPROVING THE SHARED HOUSING AND RESOURCES EMPOWERMENT
(SHARE) PROGRAM TO BE IMPLEMENTED BY SHRA AND
THE DEPARTMENT OF SOCIAL SERVICES

WHEREAS, the Redevelopment Agency of the City of Sacramento has an established policy of assisting homeless persons in the resolution of their homelessness; and

WHEREAS, the Agency has been appointed to lead the coordination of local agencies in efforts to address homeless issues; and

WHEREAS, the Agency has already established various shared housing programs for other subpopulations; and

WHEREAS, the Agency hereby makes a finding and determination that the SHARE program is of direct benefit to the Downtown redevelopment project area and that the destruction of housing in the project area has contributed significantly to the demand for low-income housing which will, in part, be met by housing provided through the SHARE program;

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

Section 1. The Redevelopment Agency and the County Department of Social Services are authorized to establish the Shared Housing and Resources Empowerment (SHARE) Program to assist homeless General Assistance eligible recipients residing in City-funded homeless shelters in their efforts to resolve their homelessness.

Section 2. The Agency is authorized to establish a \$100,000 revolving fund from Downtown Tax Increment monies to serve as loans for General Assistance eligible homeless persons residing in City-funded homeless shelters.

Section 3. The Agency is authorized to receive voluntary vendor payments from the Department of Social Services to pay rents and repayment of loans from the revolving fund.

Section 4. The Executive Directors of the Sacramento Housing and Redevelopment Agency and the Department of Social Services are authorized to enter into all contractual lease and sublease agreements, and take all other necessary actions for implementation of the SHARE Program.

Section 5. The Executive Director of the Sacramento Housing and Redevelopment Agency is authorized to issue a Request for Proposals (RFP) and enter into a contract with a private nonprofit agency or individual to oversee client case management plans and employment development positions benefiting the SHARE program and the JOB program.

CHAIR

ATTEST:

SECRETARY

1100WPP2(3)

ATTACHMENTS

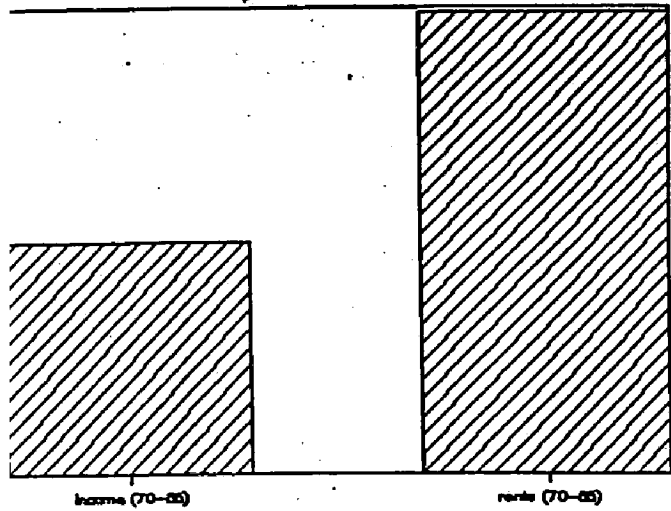
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ATTACHMENT "A"

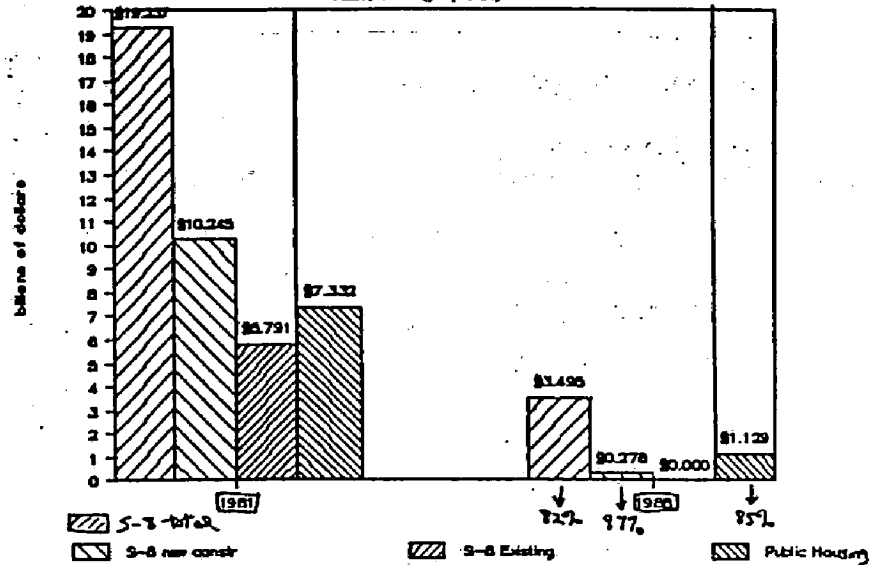
U.S. Rent and Income Change, 1970-85

percent increase

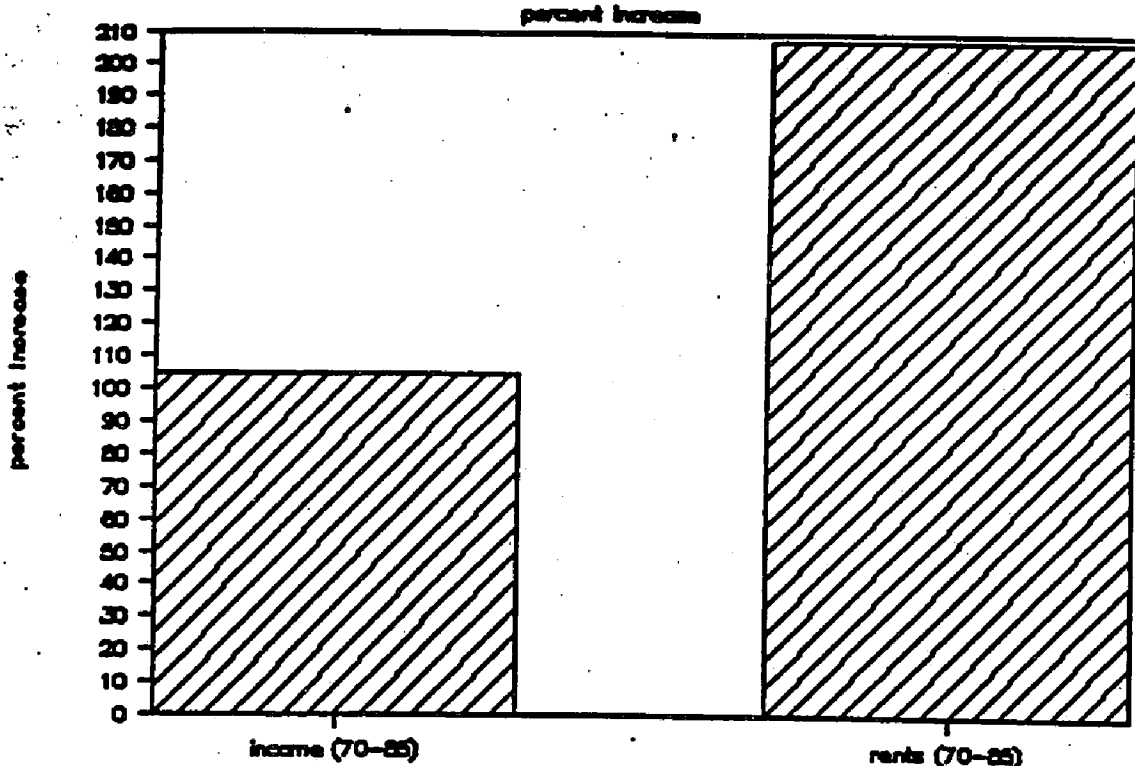


Selected Federal Housing Expenditures

1981, 1988 (projected)

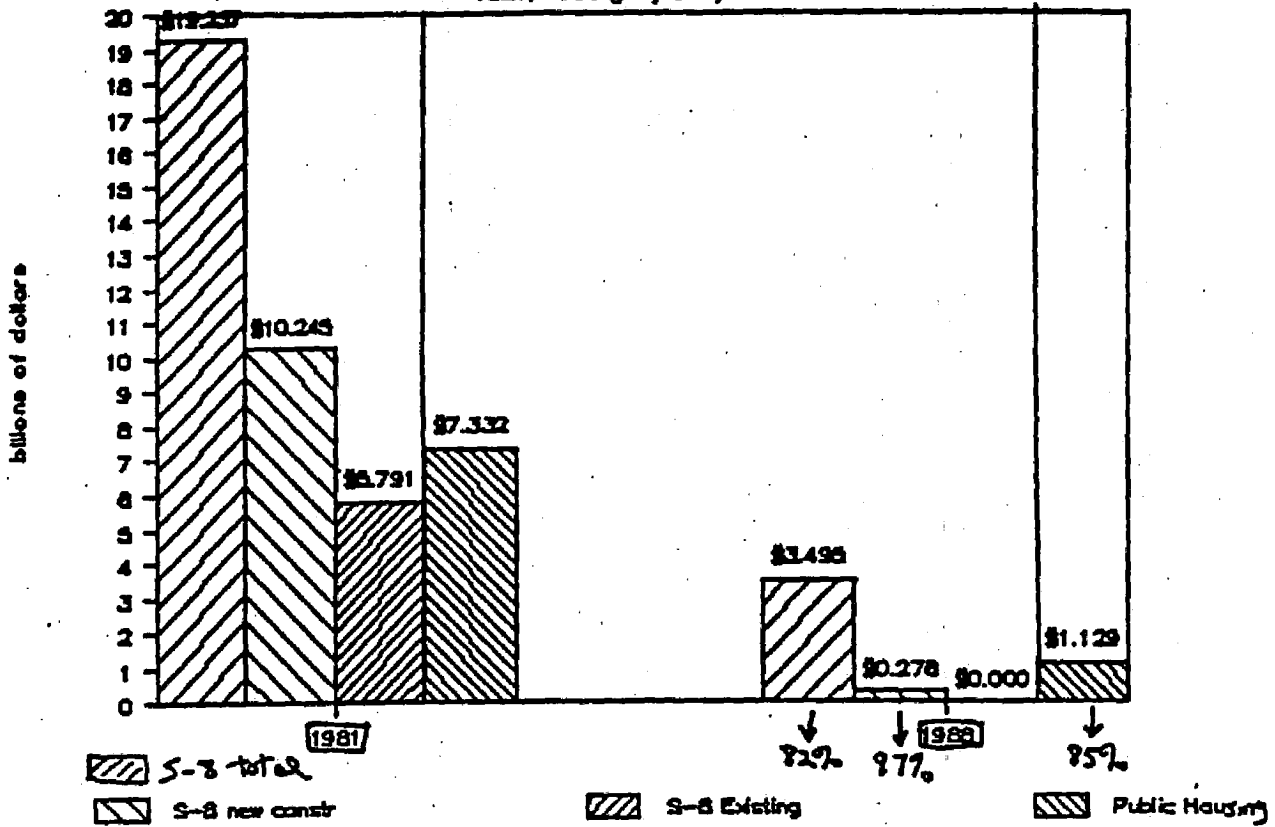


U.S. Rent and Income Change, 1970-85



Selected Federal Housing Expenditures

1981, 1988 (projected)



SHARED HOUSING AND EMPOWERMENT PROGRAM

Information Sheet

Purpose of Shared Housing and Empowerment Program

The SHARE Program is designed to provide homeless individuals with temporary assistance to help cover housing expenses by:

Issuing a guarantee certificate to the participating landlord equal to the value of the security deposit or single rent payment owed by the tenant.

- Providing that Sacramento Housing and Redevelopment Agency (SHRA) and tenant enter into an agreement whereby the tenant agrees to pay a monthly sum toward his/her owed expenses by direct vendor payment/promisory note. For example, if a tenant's security deposit is equal to \$600, s/he may agree to pay \$50 a month for 12 months to the landlord, thereby eliminating the outstanding debt.
- Reimbursing SHRA for the outstanding debt (in the event of tenant default) not to exceed the total amount of the loan and rent.

ELIGIBILITY REQUIREMENTS

In order to apply, tenants must satisfy the following criteria:

- 1) Residency: All applicants must be referred by the homeless shelter in which they reside.
- 2) Ability to Repay: Although there is no formal income criteria, ability to repay the amount of the loan must be evident.

LOAN TYPE

Deposit Monies: Move-in expenses for homeless individuals who may be able to pay monthly rent, but are unable to pay large move-in requirements (security/utility deposit plus first and last months rent).

APPLICATION PROCESS

If, through the pre-screening process, the applicant is found to be eligible, s/he goes through the following process to apply.

Interview: An appointment will be set up for the SHRA Social Services Coordinator to meet with the applicant for a face-to-face interview. At this time the applicant will fill out a formal application and provide the Coordinator with the following:

- references
- employment or other income information
- budget information (income and expenses)

Evaluation: No applicant will be denied a loan on the basis of race, color, religion, national origin, gender, or age (provided applicant has capacity to contract), or because all or part of applicant's income derives from public assistance.

Once the Loan Committee has reviewed the application and reached a decision, the Coordinator will notify the applicant of acceptance or denial. A statement of reasons for denial of a loan will be sent to the applicant upon the applicant's written request.

Final appointment: If the applicant is accepted, a final appointment with the Coordinator will be set up, at which point

- the client will provide a copy of her/his vendor payment/Promissory Note agreement.
- the loan will be made to the client in the form of a certificate to the landlord of the residence for which the loan was made. A repayment schedule will then be set up.

Responsibilities of the Tenant

It is of the utmost importance that applicants understand the nature of the revolving fund. If the fund is to be successful and continue to help low income persons, the borrower must repay the loan. Failure to make repayment will harm other homeless persons needing the funds. As soon as a loan is repaid, those funds become available to another homeless person in need. Each default has a direct negative result: the funds used to cover the default will no longer be available to those who need it.

We are relying on the integrity of the borrower to make the program work. If there is going to be difficulty in making payment installments, the tenant must contact SHRA immediately.

Confidentiality: Any information obtained about the client shall be kept confidential. SHRA employees shall use the client's records only for revolving loan fund purposes.

Future Credit Reference: Once the amount guaranteed has been repaid in full, SHRA can provide the client with a letter of credit reference.

ATTACHMENT "C"

SHARE PROGRAM
PROPOSED POLICIES AND PROCEDURES

I. PURPOSE

The purpose of this written statement of policy is to clarify the procedures and policies of the SHARE Program, and to describe the extent of the program's lending operation.

II. CHANGES

From time to time there will be changes in the particulars of this policy. The changes will be in writing and added to this policy so that at all times this written policy will be the lending reference.

III. COMPLIANCE

The Executive Director of Sacramento Housing and Redevelopment Agency (SHRA), and the Social Services Coordinator (as appointed by the Executive Director) shall be responsible for SHRA's compliance with this statement.

IV. APPLICANT CRITERIA

Applicants of the SHARE Program must satisfy the following requirements, before they may be enrolled as participants, and their loan application will be considered.

A) Residency

All applicants must be referred by the homeless shelter in which they reside.

B) Income

There is no formal income criteria; however, the goal is set forth as indicated below:

100% very low income

C) Repayment Ability

to repay the loan must be evident.

V. LOAN TYPE

One type of loan can be accessed by clients through the SHARE Program.

A) Deposit Monies

Move-in expenses for homeless individuals who although may be able to pay monthly rent, are unable to pay large move-in requirements.

VI. APPLICATION PROCESS

A) Loan Committee

Development of an in-house loan committee to review and score applicants (Committee will be comprised of the Agency, SHARE Program Coordinator, and one DSS employee.) No discretion would be given by staff to deny any loan application received before it has been reviewed by the loan committee. The Social Services Coordinator will present recommendations to the committee and will be ineligible to provide SHRA's vote. If agreement cannot be met, one member of the City/County Homeless Advisory Council will be retained on an advisory basis to cast the decision-making vote.

B) Preliminary Screening

Preliminary Screening

Accentuation must be given to the concept that the only deciding entity is the loan committee. Screening must determine:

reason for need

- . ability to repay
- . residency
- . income (written verification by Sacramento County DSS or employer)

If potential applicant is eligible under the aforementioned guidelines the fund is not committed to making a loan, the person is entitled to make application for a loan.

C) Face to Face Interview

Social Services Coordinator will meet with the applicant for a face to face interview. The objective during this interview will be to:

- . secure proper documentation and liability releases
- . fill out formal application
- . obtain references (letters, names, phone numbers)
- . secure verification of income

VII: EVALUATION OF APPLICATIONS

A) Non-Discrimination in Lending

No applicant shall be denied a loan on the basis of race, color, religion, national origin, sex, or age (provided applicant has capacity to contract), or because all or part of applicant's income derives from public assistance.

B) Criteria for Denying Loan

An application for a loan may be denied for any of the following reasons:

- . insufficient references
- . client has not been referred by a homeless shelter in Sacramento City/County
- . unable to verify references
- . lack of stability in the area
- . client's unwillingness or unreliability in following through on referrals or appointments given by SHRA's staff
- . ability to repay nonexistent
- . any falsification of any information provided by applicant and contained on SHARE's application form
- . past negligence in managing financial affairs

lack of reasonable probability that loan will enable applicant to overcome her/his temporary financial emergency and remain "in place" for a substantial period of time. (For in-place loan requests.) This determination will take into consideration future sources of income or welfare and the size of current debts.

property for which loan application is made, is known to be in substantial violation of significant health, building and safety laws.

C) Additional Considerations in Evaluating Loans

Past Negligence in Managing Financial Affairs:

SHRA realizes that applicants can have explainable credit problems, and therefore past credit problems do not mean automatic rejection of an application, the applicant will be requested to supply a written supportable explanation with regards to any past problems.

Co-Signers: The loan committee may require an applicant to have one or more co-signers. Circumstances where a co-signer might be required include the applicant's past negligence in managing her/his financial affairs. The credit worthiness of potential co-signers must be investigated and evaluated before any loan with a co-signer is approved.

Assignment of Applicant's Rights to Security Deposit:

Repayment of the loan may be secured by applicant assigning to SHRA rights the applicant may have to any security held by a former landlord, or held by any landlord to whom a payment has been made under this program.

Inspection for Adequacy of Shelter:

Loans cannot be made to secure occupancy in property which is known to be in substantial violation of significant health, building and safety laws.

Referral Agency Recommendations: Favorable recommendations from local community agencies concerning the credit worthiness or reliability of applicant will be given additional weight in evaluating applications. the referral agency shall be expected to take some responsibility to assist with prompt repayment of the loan.

D) Written Statement of Denial

A statement of reasons for denial of a loan shall be sent to applicant upon applicant's written request.

VIII: FINAL APPOINTMENT

A) Loan Voucher: SHRA will be the lease holder and will sublet to the client. Therefore, the loan will be to the client who will pay the deposit to SHRA. Agreement to repay the loan will consist of a signed document. Repayment will be made in monthly installments agreed to by the client through a Vendor Payment program with County DSS or a promissory note agreement.

B) Copy of the Rental Agreement: Before the loan can be made, a copy of the client's rental agreement must be obtained for the file. Clients with a month to month rental agreement are not exempt from this requirement.

C) Statement by Landlord: The landlord must agree in writing, that the tenant will not be evicted prior to the termination of the "payback period" of the loan unless tenant defaults or breaches contract.

D) Disclosure Release: Signed disclosure release for SHRA must be obtained so landlord can apprise SHRA of any deviation in agreement that may occur.

E) Voucher Copy: Copy of the voucher is to be retained for review by the Homeless Programs Program Manager.

F) Orientation of Borrower:

. Orientation Sheet - An orientation pamphlet shall be given to each participant explaining the revolving nature of the funds, and also explaining the need to contact SHRA if there is going to be difficulty in making payment installments.

. Emphasis on Borrower's Integrity - Emphasis must rest with the moral integrity of the borrower. At the time of the initial application, and through every step of the loan process, it must be emphasized to the borrower that the loan is a revolving loan fund and that failure to make repayment will result in harming low income persons who may need to borrow such funds in the future.

Confidentiality of Client's Records - Any information obtained about the client shall be kept confidential. The client's records shall be kept in a locked office and shall be open to the client upon request. SHRA employees shall use these records only for revolving loan purposes. No one else shall be given information about these records or allowed to view them without written request of the client.

Master List - A master list of all the clients who have received loans will be kept which will be used for mailing notices, newsletters, or other information regarding the SHARE Program. This masterlist will be confidential like all other of the client's records.

IX: COLLECTION PROCEDURES

A) Loan Contracts

A written contract (in triplicate) will be made for each loan issued. The contract will set terms for repayment of loans, making them due with each monthly rent payment until the debt is paid in full. Each applicant will then sign and retain a copy of the SHARE Program contract for his/her records. If a payment is not received with the monthly rent, and arrangements have not been made by the loan recipient and SHRA staff for an extension; an overdue notice will be sent out requesting payment be made or to contact SHRA if any problems are anticipated in making payment. If an applicant fails to contact SHRA or submit a payment in a reasonable amount of time, after notice has been received, a home visit or phone call will be made forwarded to the landlord with a 30 - 45 day period. An applicant who fails to respond and misses two consecutive payments will then be sent a notice making the full amount of the loan due and payable to SHRA Housing.

B) Standards for Declaring Full Amount of Loan Due

If an applicant fails to contact SHRA by phone or in writing, concerning late payments, and misses two consecutive payments; a letter will be sent out making the full amount of the loan due as reimbursement for payment to landlord.

Failure to respond after an additional month could result in small claims court action against the loan recipient.

C) Prohibited Practices

SHRA EMPLOYEES COLLECTION RESPONSIBILITIES

SHRA EMPLOYEES SHALL NOT COLLECT AND SHALL NOT ATTEMPT TO COLLECT, NOR SHALL THEY INSTRUCT ANYONE TO COLLECT ANY SHARE PROGRAM DEBT BY MEANS OF THE FOLLOWING CONDUCT:

The use, or threat of use, of physical force or violence or any criminal means to cause harm to the person, or the reputation, or the property of any person.

- . The threat that the failure to pay a consumer debt will result in an accusation that the debtor has committed a crime where such accusation, if made would be false.
- . The communication, or or threat to communicate to any person the fact that a debtor has engaged in conduct, other than the failure to pay a consumer debt, which the debt collector knows or has reason to believe will defame the debtor.
- . The threat to the debtor to sell or assign to another person the obligations of the debtor to pay a consumer debt, with an accompanying false representation that the result of such sale or assignment would be that the debtor would lose any defense to the consumer debt.
- . The threat to any person that nonpayment of the consumer debt may result in the arrest of the debtor or the seizure, garnishment, attachment or sale of any property or the garnishment or attachment of wages of the debtor, unless such action is in fact contemplated by the debt collector and permitted by the law; or
- . The threat to take any action against the debtor which is prohibited by this title.

SHRA EMPLOYEES SHALL NOT COLLECT AND SHALL NOT ATTEMPT TO COLLECT, NOR SHALL THEY INSTRUCT ANYONE TO COLLECT REVOLVING LOAN DEBTS BY MEANS OF THE FOLLOWING PRACTICES:

- . Placing telephone calls without disclosure of the caller's identity, provided that an employee of a licensed collection agency may identify himself/herself by using his/her registered alias name as long as he/she correctly identifies the agency he/she represents.

- . Causing expense to any person for long distance telephone calls , telegram fees or charges for other similar communications, by misrepresenting to such person the purpose of such telephone call, telegram, or similar communication.
- . Causing a telephone to ring repeatedly or continuously to annoy the person called; or
- . Communicating, by telephone or in person, with the debtor with such frequency as to be unreasonable and to constitute an harrassment to the debtor under the circumstances.

SHRA EMPLOYEES SHALL NOT COLLECT AND SHALL NOT ATTEMPT TO COLLECT, NOR SHALL THEY INSTRUCT ANYONE TO COLLECT ANY SHARE LOAN DEBT BY MEANS OF THE FOLLOWING PRACTICES:

- . Communicating with the debtor's employer regarding the debtor's consumer debt unless such communication is necessary to the collection of the debt, or unless the debtor or his attorney has consented in writing to such communication. A communication is necessary to the collection of the debt only if it is made for the purposes of verifying the debtor's employment, locating the debtor, or effecting garnishment, after judgement, of the debtor's wages, or in the case of a medical debt for the purpose of discovering the existence of medical insurance. Any such communication shall be in writing unless such written communication receives no response within 15 days and shall be made only as many times as is necessary to the collection of the debt. Communications to a debtor's employer regarding a debt shall not contain language that would be improper if the communication were made to the debtor. One communication solely for the purpose of verifying the debtor's employment may be oral without prior written contact.
- . Communicating information regarding a consumer debt to any member of the debtor's family, other than the debtor's spouse or the parents or guardians of the debtor who is either a minor or who resides in the same household with such parent or guardian, prior to obtaining a judgement against the debtor, except where the purpose of the communication is to locate the debtor, or where the debtor or his attorney has consented in writing to such communication;
- . Communicating to any person any list of debtors which discloses the nature of existence of a consumer debt, commonly known as "deadbeat lists", or advertising any consumer debt for sale, by naming the debtor, or;

. Communicating with the debtor by means of a written communication that displays or conveys any information about the consumer debt or the debtor other than the name, address, and telephone number of the debtor and the debt collector and which is intended both to be seen by any other person and also to embarrass the debtor.

. Notwithstanding the foregoing provisions of this section, the disclosure, publication or communication by a debt collector of information relating to a consumer debt or the debtor to a consumer reporting agency or to any other person reasonably believed to have a legitimate business need for such information shall not be deemed to violate this title.

SHRA EMPLOYEES SHALL NOT COLLECT AND SHALL NOT ATTEMPT TO COLLECT, NOR SHALL THEY INSTRUCT ANYONE TO COLLECT ANY SHARE LOAN DEBT BY MEANS OF THE FOLLOWING PRACTICES:

. Any communication with the debtor other than in the name of the debt collector or the person on whose behalf the debt collector is acting;

. Any false representation that any person is an attorney or counselor at law;

. Any communication with debtor in the name of an attorney or counselor at law or upon stationary or like written instruments bearing the name of the attorney or counselor at law, unless such communication is by an attorney or counselor at law or shall have been approved or authorized by such attorney or counselor at law;

. The representation that any debt collector is vouched for, bonded by, affiliated with, or is an instrumentality, agent or official of any federal, state, or local government, unless the collector is actually employed by the particular governmental agency in question and is acting on behalf of such agency in the debt collection manner;

. The use of any written communication which simulates or is falsely represented to be a document authorized, issued, or approved by a court or agency of any federal, state, or local government;

. The false representation that the consumer debt may be increased by the addition of attorney's fees, investigation fees, service fees, finance charges, or other charges if, in fact, such fees or charges may not legally be added to the existing obligation;

- . The false representation that information concerning a debtor's failure or alleged failure to pay a consumer debt has been or is about to be referred to a consumer reporting agency;
- . The false representation that a debt collector is a consumer reporting agency;
- . The false representation that collection letters, notices or other printed forms are being sent by or on behalf of a claim, credit, audit, or legal department;
- . The false representation of the true nature of the business or services being rendered by the debt collector;
- . The false representation that a legal proceeding has been, is about to be, or will be instituted unless payment of a consumer debt is made;
- . The false representation that a consumer debt has been, is about to be, or will be sold, assigned, or referred to a debt collector for collection; or
- . Any communication by a licensed collection agency to a debtor demanding money unless the claim is actually assigned to the collection agency.

SHRA EMPLOYEES SHALL NOT COLLECT AND SHALL NOT ATTEMPT TO COLLECT, NOR SHALL THEY INSTRUCT ANYONE TO COLLECT ANY SHARE LOAN DEBT BY MEANS OF THE FOLLOWING PRACTICES:

- . Obtaining an affirmation from a debtor who has been adjudicated a bankrupt, of a consumer debt which has been discharged in such bankruptcy, without clearly and conspicuously disclosing to the debtor, in writing, at the time such affirmation is sought, the fact that the debtor is not legally obligated to make such affirmation;
- . Collecting or attempting to collect from the debtor the whole or any part of the debt collector's fee or charge for services rendered, or other expense incurred by the debt collector in the collection of the consumer debt, except as permitted by law; or
- . Initiating communications, other than statements of account with the debtor with regard to the consumer debt, when the debt collector has been previously notified in writing by the debtor's attorney that the debtor is represented by such attorney with respect to the consumer debt and such notice includes the attorney's name and address and a request by such attorney that all communications regarding

the consumer debt be addressed to such attorney, unless the attorney fails to answer correspondence, return telephone calls, or discuss the obligation in question. This subdivision shall not apply where prior approval has been obtained from the debtor's attorney, or where the communication is a response in the ordinary course of business to a debtor's inquiry.

NO SHRA EMPLOYEE SHALL COLLECT OR ATTEMPT TO COLLECT A CONSUMER DEBT BY MEANS OF JUDICIAL PROCEEDINGS WHEN IT IS KNOWN THAT SERVICE OF PROCESS, WHERE ESSENTIAL TO JURISDICTION OVER THE DEBTOR OR HIS PROPERTY, HAS NOT BEEN LEGALLY EFFECTED.

NO SHRA EMPLOYEE SHALL COLLECT OR ATTEMPT TO COLLECT A CONSUMER DEBT, OTHER THAN ONE REDUCED TO JUDGMENT, BY MEANS OF JUDICIAL PROCEEDINGS IN A COUNTY OTHER THAN THE COUNTY IN WHICH THE DEBTOR HAS INCURRED THE CONSUMER DEBT OR THE COUNTY IN WHICH THE DEBTOR RESIDES AT THE TIME SUCH PROCEEDINGS ARE INSTITUTED, OR RESIDED AT THE TIME THE DEBT WAS INCURRED.

taken from title 1.6C (1788.10 to 1788.20) of Park 4 Division 3 of the Civil Code, relating to Department Collection.

2555WPP(1366)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

CHECK-OFF LIST
SHARED HOUSING AND RESOURCES EMPOWERMENT PROGRAM

FAMILY: _____

AMOUNT REQUESTED: \$ _____

_____ APPLICATION COMPLETED (WITH SIGNATURES)

_____ BUDGET SHEET

_____ LIABILITY RELEASE FOR CREDIT BUREAU

_____ CREDIT BUREAU REPORT

_____ PREVIOUS LANDLORD REFERENCED

INCOME VERIFIED: YES _____ NO _____

SOURCE:

_____ EMPLOYMENT

_____ GENERAL ASSISTANCE

_____ SDI, SSI

_____ UNEMPLOYMENT

_____ OTHER (SPECIFY)

_____ LETTERS OF REFERENCE (2)

_____ VOUCHER COPY

_____ LETTER OF AGREEMENT SIGNED BY SHRA AND CLIENT

_____ CONTRACT

_____ REFERRAL FORM FROM OTHER AGENCY (IF APPLICABLE)

_____ CONTACT MADE WITH GRANT PROGRAMS CURRENTLY OPERATING

=====

REVOLVING LOAN FUND COORDINATOR RECOMMENDATION

_____ APPROVED _____ DENIED

REASONS: _____

DATE: _____ BY: Revolving Loan Fund Coordinator

=====

FINAL APPROVAL/DENIAL OF LOAN COMMITTEE

_____ APPROVED _____ DENIED

REASONS: _____

DATE: _____ BY: Executive Director, SHRA

=====

COMPUTER INPUT: YES _____ NO _____

DATE: _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

APPLICATION FOR SHARED HOUSING AND RESOURCES EMPOWERMENT PROGRAM

NAME: _____ DATE: _____
 STREET ADDRESS _____ AGE: _____
 CITY _____ STATE _____ APT # _____
 PHONE NUMBERS: HOME _____ JOB _____ MESSAGE _____
 SOCIAL SECURITY NUMBER: _____
 REASON FOR MOVE: _____

PREVIOUS ADDRESS _____
 LENGTH OF TIME AT ADDRESS: _____
 PRESENT SHELTER: _____ PHONE _____
 FORMER LANDLORD: _____ PHONE _____
 NEAREST RELATIVE NOT LIVING WITH YOU: _____
 NAME _____ ADDRESS _____ PHONE _____
 REASON REQUESTING ASSISTANCE: _____

EMPLOYMENT INFORMATION

LIST ALL FULL AND/OR PART-TIME EMPLOYMENT. INCLUDE SELF-EMPLOYED EARNINGS:

<u>NAME AND ADDRESS OF EMPLOYER</u>	<u>GROSS MONTHLY WAGES</u>
_____	_____
_____	_____

ASSETS

Do you own a car? _____ Make: _____ Model _____ Year _____
 Check Acct. Number: _____ Bank: _____ Balance: _____
 Savings Acct. No.: _____ Bank: _____ Balance: _____
 How are you going to repay the loan: GA _____
 Note _____

CREDIT REFERENCES

Car Financed at: _____
 Monthly Payment: _____ Balance Due _____
 Bank Loans: _____
 Monthly Payment: _____ Balance Due _____
 Other: (Who?) _____
 Monthly Payment: _____ Balance Due _____

<u>Credit Cards:</u>	<u>Owed to</u>	<u>Monthly Payment</u>	<u>Balance</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____

I hereby authorize Sacramento Housing and Redevelopment Agency to request information relating to personal credit history.

ALL APPLICATION INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

APPLICANT: _____ DATE _____

ETHNICITY (optional) - Check one

1) WHITE _____ 3) HISPANIC _____ 5) AMERICAN INDIAN _____
 2) BLACK _____ 4) ASIAN _____ 6) OTHER _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

BUDGET SHEET

SHARED HOUSING AND RESOURCES EMPOWERMENT PROGRAM

NAME: _____ PHONE _____
 COUNSELOR'S NAME _____ PHONE _____
 REFERRAL AGENCY _____ PHONE _____

=====

1. MONTHLY INCOME (attach income verification) AMOUNT

A. Wages, Net	\$ _____
B. Pay Period Dates _____	
C. GA (payment and amount) _____	\$ _____
D. Unemployment	\$ _____
E. Food Stamps	\$ _____
F. Other: Source: _____	\$ _____
G. TOTAL MONTHLY INCOME	\$ _____

=====

2. MONTHLY EXPENSES (fixed)

A. Rent/Mortgage	\$ _____
B. Utilities	
P.G.&E./SMUD	\$ _____
Telephone	\$ _____
Water	\$ _____
Garbage	\$ _____
C. Insurance (medical/life/auto)	\$ _____
D. Alimony/Child Support	\$ _____
E. Child Care	\$ _____
F. Automobile Payments	\$ _____
G. All other fixed monthly payments (personal loans, furniture, credit cards or accounts)	\$ _____
H. TOTAL FIXED EXPENSES	\$ _____

=====

3. MONTHLY EXPENSES (flexible)

A. Food (all supermarket purchases)	\$ _____
B. Transportation (gas, fares, parking, repairs)	\$ _____
C. Medical (doctor, dentist, Medicare)	\$ _____
D. Laundry, cleaning	\$ _____
E. Clothing	\$ _____
F. Other (list)	\$ _____
G. TOTAL FLEXIBLE EXPENSES	\$ _____

=====

4. TOTAL MONTHLY INCOME (Item 1.G)	\$ _____
5. TOTAL EXPENSES (Fixed and Flexible)	\$ _____
6. BALANCE OF INCOME	\$ _____

=====

7. OTHER SAVINGS AND CASH AVAILABLE	\$ _____
-------------------------------------	----------

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
SHARED HOUSING AND RESOURCES EMPOWERMENT PROGRAM
LOAN AGREEMENT AND GUARANTEE CERTIFICATE

GUARANTEE: AMOUNT: \$ _____
DATE OF LOAN: _____, 19__

LOAN AGREEMENT: By signing the following agreement, I
acknowledge that the SHRA, Shared Housing and Resources
Empowerment Program (SHARE) has issued a Loan on my behalf
to _____ (landlord) to insure payment of:
_____ the security deposit of \$ _____
_____ rent from _____ to _____ for \$ _____
for (address).

I promise to pay the security deposit/rent of \$ _____ to
_____ in _____ installments of \$ _____. I will pay
the first installment on or before _____ and the following
installments on the _____ day(s) of the month until the
total amount of the security deposit/rent is paid in full. In
addition, I will pay the regular rent as it becomes due.

If I fail to pay any installment on the due date and the payment
remains unpaid for thirty days SHRA will begin eviction
procedures. The entire unpaid balance of the security
deposit/rent shall then immediately become due and payable to
SHRA on written notice from SHRA. The prevailing party will be
liable for costs of collection, court costs, and reasonable
attorney fees should SHRA enforce this note in a court of law.

I understand that the money for the SHARE Loan comes from a
revolving fund and that if I do not repay the guaranteed amount,
it may mean another applicant will not be able to use the SHARE.
As the landlord receives my installment payments, SHRA will add
this money to the total amount available to future borrowers. I
agree that I must pay each installment promptly so that others
may use the funds.

I understand that if I fail to pay as promised, the owner may
begin eviction proceedings against me.

DATE: _____
SIGNATURES OF APPLICANT AND CO-APPLICANT

SHRA Approving Officer PRINT NAMES: APPLICANT AND CO-APPLICANT

PAYEE (LANDLORD) INFORMATION:

NAME: _____ SIGNATURE _____
ADDRESS: _____
PHONE: _____
=====

LOAN NUMBER: _____
CHECK NUMBER: _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

PRELIMINARY SCREENING FOR SHARE PROGRAM APPLICATIONS

BEFORE REFERRING A CLIENT TO THE SHARE PROGRAM, PLEASE FILL OUT THE FOLLOWING INFORMATION:

NAME: _____ DATE _____

ADDRESS: _____

PHONE: _____

CRITERIA #1: ALL APPLICANTS MUST CURRENTLY RESIDE IN A HOMELESS SHELTER IN SACRAMENTO CITY OR COUNTY.

CRITERIA #2: THE CLIENT MUST SHOW ABILITY TO REPAY THE LOAN -- THROUGH EMPLOYMENT, SOCIAL SECURITY, GA, ETC. IF EXPENSES EXCEED INCOME, S/HE IS NOT ELIGIBLE.

IF THE CLIENT SATISFIES THE ABOVE CRITERIA, PLEASE REFER HER/HIM TO THE COORDINATOR.

CHECK ONE:

CLIENT IS:

- 1) _____ ELIGIBLE
- 2) _____ INELIGIBLE BECAUSE S/HE

_____ Is not residing in a homeless shelter in Sacramento City or County, or
 _____ Does not have the ability to repay.

- 3) _____ MARGINAL/UNDETERMINED

COMMENTS:

REFERRAL:

CLIENT WAS REFERRED BY (SELF, FRIEND, AGENCY, ETC.):

ETHNICITY (Optional) - Check One

- 1) WHITE _____
- 2) BLACK _____
- 3) HISPANIC _____
- 4) ASIAN _____
- 5) AMERICAN INDIAN _____
- 6) OTHER _____

REFERRED TO GRANT PROGRAM? _____ YES _____ NO
 EVER CONTACTED SHRA BEFORE? _____ YES _____ NO
 WAS IT SHARE LOAN FUND? _____ YES _____ NO

Initials: _____



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



PRIOR RENTAL HISTORY VERIFICATION

Date: _____

The person named below has applied to SHRA's SHARE Program, which has been developed by the County of Sacramento. He/she has authorized us to request information relating to rental history under your management. Please answer the questions listed below and return this statement to us as soon as possible. ALL REPLIES WILL BE KEPT CONFIDENTIAL EXCEPT UPON REQUEST OF THE APPLICANT.

Thank you for your time and cooperation.

Sincerely,

Program Manager
Homeless Programs

=====

NAME OF APPLICANT: _____ MOVE-IN DATE _____

ADDRESS: _____ APT. # _____

CITY: _____ STATE: _____ ZIP: _____

1. Has rent been paid by named applicant on time? _____
2. Amount of monthly rent? \$ _____
3. Were utilities included in the rent? _____
4. Would you rent to this person again? _____
Why? or Why not? (Optional) _____

Signature/Title
(Owner/Manager/Agent)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SHARE PROGRAM
GENERAL ASSISTANCE RECIPIENTS

PROMISSORY NOTE

I, _____, promise that I will arrange for
(print name)
vendor payments so that the rent check will go directly from
Social Services to Sacramento Housing and Redevelopment Agency.

Further, I promise that, upon the discontinuation of my General
Assistance benefits, I will continue to repay Sacramento Housing
and Redevelopment Agency the balance of my loan until that loan
is repaid in its entirety.

Date: _____

Signature: _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SHARE REPAYMENT PLAN INFORMATION

Is Repayment a Problem?
=====

If you are anticipating any problems with paying your rent plus your loan repayment, contact SHRA immediately. The greater the advance notice we have, the greater the chance that we can make some arrangements to help you avoid eviction.

Budget carefully with the repayment in mind. A little planning goes a long way. If there is any delay in payment, and you do not let us know, it will seriously jeopardize your position with SHRA.

Our plan is to make sure you remain housed and that funds remain available for new applicants who need to use the program. So please help us realize that plan by keeping us informed at all stages of the game!!

3292J



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



LETTER OF CREDIT REFERENCE
SHARE PROGRAM

This is to certify that _____ was approved for a loan through the Sacramento Housing and Redevelopment Agency for the amount of \$ _____. Their loan was repaid in full under the conditions stipulated in the contract and they were responsible and diligent in meeting their obligation.

Sincerely,

Program Manager
Homeless Programs

Date: _____

3293J

SHARE PROGRAM BUDGET

Revolving Fund

65 apts. @ \$1,000 each per year	\$ 65,000
Maintenance and Reserve	10,000
Program Admin (Contract Employee)	<u>25,000</u>
Total	\$100,000

Budget Narrative

Revolving Fund: This budget component is based on the estimated cost of renting a two-bedroom apartment in Sacramento. While accessibility costs vary from apartment to apartment, we estimate that typically costs will be:

Security Deposit	\$ 125	
First Month's Rent	325	
Last Month's Rent	325	
Utility Deposits	100	
Incidental Costs	<u>125</u>	
Total	\$1,000	x 65 two-bedroom apts.

Program Administration: SHRA will contract with a nonprofit agency or individual to meet twice each month with each client to insure that each client is pursuing his/her case management plan. SHRA already operates an employment program entitled Just One Break (JOB) which has proven to be highly successful in placing 2,600 homeless single persons in employment since July 1, 1986 (this figure includes 600 permanent full-time positions). The nonprofit agency or individual meeting with the SHARE Program clients will assist the participants into the JOB Program and will work with the JOB Program in further job development.