

32

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

November 18, 1980

CITY MANAGER'S OFFICE
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Housing Authority of
the City of Sacramento
Sacramento, California

CITY GOVERNING BOARD
PHILLIP L. ISENBERG, MAYOR
LLOYD CONNELLY
BLAINE H. FISHER
THOMAS R. HOEBER
DOUGLAS N. POPE
JOHN ROBERTS
LYNN ROBIE
ANNE RUDIN
DANIEL E. THOMPSON

Honorable Members in Session

SUBJECT: Approval of Occupancy Policies for Alkali
Flat 40 Unit Elderly Project

SUMMARY

COUNTY GOVERNING BOARD
ILLA COLLIN
C. TOBIAS (TOBY) JOHNSON
JOSEPH E. (TED) SHEEDY
SANDRA R. SMOLEY
FRED G. WADE

EXECUTIVE DIRECTOR
WILLIAM G. SELINE

The attached resolution approves the occupancy policies to be used for selection of tenants for the 40 unit elderly complex located on the south side of E Street between 10th and 11th Streets. Since there were no HUD funds available for construction or management and maintenance of this project (see Exhibit A):

1. the project was constructed utilizing tax increment funds from Alkali Flat and Project 2-A; and,
2. Tenant rents have to be sufficient to offset management and maintenance.

P.O. Box 1834
SACRAMENTO, CA 95809
630 I STREET
SACRAMENTO, CA 95814
(916) 444-9210

BACKGROUND

On January 23, 1980, SHRA reported to the City Council that it would not be possible to finance this project with federal assistance and that it would have to be self-supporting from rental income received from the elderly tenants. Therefore, Agency staff, in conjunction with the Alkali Flat Project Area Committee (PAC), have determined that the policies presently governing occupancy and continued occupancy of the Agency's conventional housing program should be used for this project with the following exceptions:

~~APPROVED~~
BY THE CITY COUNCIL

~~NOV 25 1980~~

~~OFFICE OF THE~~
~~CITY CLERK~~

APPROVED
SACRAMENTO HOUSING AUTHORITY

Date 11-25-80

11-25-80

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of the
City of Sacramento
November 18, 1980
Page -2-

1. Flat rents will be charged rather than 25% of income. Since there are no subsidy funds available for this project, charging 25% of the residents' income would not generate sufficient revenue to support its operation based on an analysis prepared by the Agency's Finance Department (see Exhibit B).
2. Income limits will be 90% of median or below, rather than 80%. A higher income limit ceiling is recommended to attract applicants who can better afford the flat rents which must be charged to render this project self-sufficient.
3. Rent cannot exceed 30% of an applicant's income. Staff recommends that a person will be ineligible for occupancy if the amount of the flat rent exceeds 30% of household income. This recommendation is made to establish a minimum income level (\$4,800) for occupancy in hopes that housing costs would not be financially over-extending for an occupany.
4. The Community Services/Tenant Realtions Committee of the Commission will be appointed as a task force to review the project's operations on a yearly basis.

A standard lease will be prepared with the stipulation that no rent increases will be made without a thirty-day notice to the resident. Security deposits will be one-half month's rent.

Applications will be taken in the Alkali Flat PAC Office and SHRA area offices and will be forwarded to the SHRA Central Eligibility unit where a waiting pool will be maintained. Initially, residents of the Alkali Flat area who qualify will be given priority over other applicants.

The first tenant selection will be made at the Alkali Flat PAC Office and a lottery system will be used if necessary. A lottery system will be employed if the number of qualified applicants exceeds the number of available units.

The attached flow chart depicts a tentative schedule of the steps necessary to lease the units (see Exhibit C).

FINANCIAL DATA

Funds for on-going management and maintenance will come from revenue generated by rents. However, SHRA staff is currently exploring prospects which may generate a viable source of HUD subsidy to assist future tenants.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of
the City of Sacramento
November 7, 1980
Page -3-

VOTE AND RECOMMENDATION OF COMMISSION

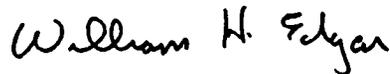
At its regular meeting of November 17, 1980, the Sacramento Housing and Redevelopment Commission adopted a motion recommending the above action. The vote was as follows:

AYES: Fisher, Knepprath, Luevano, A. Miller,
Serna, Teramoto, Walton, B. Miller
NOES: None
ABSENT: Coleman

RECOMMENDATION

The staff recommends adoption of the attached resolution approving the occupancy, management and maintenance of the Alkali Flat Elderly Housing Complex at 10th and E Streets.

Respectfully submitted,



WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLUPE
City Manager

Contact Person: Michael R. Capitano

RESOLUTION NO. _____

Adopted by the Housing Authority of the City of Sacramento

November 25, 1980

APPROVAL OF GUIDELINES FOR OCCUPANCY,
MANAGEMENT AND MAINTENANCE OF THE ALKALI
FLAT ELDERLY HOUSING COMPLEX

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

1. The Executive Director is authorized to operate the Alkali Flat 40 Unit Elderly Housing Complex located at 10th and E Streets under the guidelines of the current Agency Occupancy Policy for conventional housing with the following exceptions:

- a. flat rents with adjustments as approved by the Executive Director;
- b. income limits will be 90% of median or below;
- c. rent cannot exceed 30% of applicant's income;
- d. the Community Services/Tenant Relations Committee of the Sacramento Housing and Redevelopment Commission will act as a task force and review the project's operation on a yearly basis.

CHAIRMAN

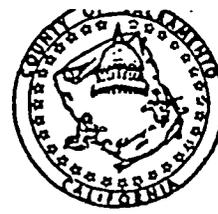
ATTEST:

SECRETARY

~~APPROVED~~
~~BY THE CITY COUNCIL~~
~~NOV 25 1980~~
~~OFFICE OF THE~~
~~CITY CLERK~~

APPROVED
SACRAMENTO HOUSING AUTHORITY

Date 11-25-80



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

January 23, 1980

Redevelopment Agency of the
City of Sacramento
915 I Street
Sacramento, CA 95814

CITY GOVERNING BOARD
PHILLIP L. ISENBERG, MAYOR
LLOYD CONNELLY
BLAINE H. FISHER
THOMAS R. HOEBER
DOUGLAS N. POPE
JOHN ROBERTS
LYNN ROBIE
ANNE RUDIN
DANIEL E. THOMPSON

Honorable Members in Session:

SUBJECT: Approval of Final Plans for Alkali Flat 40
Unit Elderly Project and Request for Additional
Funding

SUMMARY

COUNTY GOVERNING BOARD
ILLA COLLIN
C. TOBIAS (TOBY) JOHNSON
JOSEPH E. (TED) SHEEDY
SANDRA R. SMOLEY
FRED G. WADE

The attached resolution approves Final Plans for the 40 Unit Elderly Complex to be constructed on the south side of E Street between 10th and 11th Streets; provides up to \$175,000 additional funds from Alkali Flat Tax Increments toward construction of the 40 units; \$55,000 of Alkali C. D. carryover funds for the construction of the Senior Lounge; authorizes the Executive Director to solicit bids; and to the extent feasible, grants first priority of occupancy to residents displaced from the Alkali Flat area, then to residents of Alkali Flat area and finally to persons from outside the Alkali Project area.

EXECUTIVE DIRECTOR
WILLIAM G. SELINE

P.O. Box 1834
SACRAMENTO, CA 95809
630 I STREET
SACRAMENTO, CA 95814
(916) 444-9210

BACKGROUND

\$1,200,000 has previously been approved for this Alkali Flat Elderly Project; \$600,000 from Project 2A Housing Replacement Fund and \$600,000 from Alkali Tax Increment Fund.

Although exact costs cannot be determined until bids are received, Dreyfuss and Blackford, the Project Architects, and Agency staff have estimated total development costs to be \$1,430,000. These two story apartments will have 560 net square feet, including one bedroom, living room, kitchen and bath. Exterior design is compatible with the neighborhood and reflects Victorian Architecture with bay windows. No elevators are included in the project. In compliance with approved design standards, one tenant and one visitor parking space is provided for each five units for a total of 16 spaces.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
Page Two

January 23, 1980

Since there are no HUD funds available for this project nor for the management-maintenance of it, tenant rents will have to be sufficient to take care of the management-maintenance cost. At this time, staff estimates rents will be approximately \$110-\$112 per month.

FINANCIAL DATA

Up to \$175,000 additional construction funds will be needed for the 40 units. It is recommended that these funds be authorized from the Alkali Tax Increment Fund which presently has \$335,200 in the account. \$55,000 will also be needed for construction of the Senior Lounge. It is recommended that it be authorized from the \$170,000 available from Alkali C.D. carryover funds.

VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of January 21, 1980, the Sacramento Housing and Redevelopment Commission recommended adoption of the attached resolution. Their vote was recorded as follows:

AYES: Luevano, Serna, Teramoto, Walton, Kneprath, Coleman,
Alexander Miller, Burnett Miller
NOES: Fisher
ABSENT: NONE

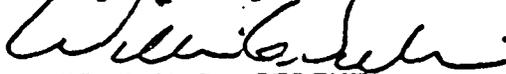
OTHER RECOMMENDATIONS

On January 16, 1980, the Alkali PAC made the same recommendations as contained herein and on January 22, 1980, the Budget and Finance Committee concurred in these recommendations.

RECOMMENDATION

It is my recommendation that you adopt the attached resolution.

Respectfully submitted,



WILLIAM G. SELINE
EXECUTIVE DIRECTOR

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE, City Manager

Contact Person: Ken Stroth

ALKALI FLAT 40-UNIT
ELDERLY HOUSING PROJECT

<u>Budget, First Year</u>	<u>Estimated Cost Per Unit Per Month</u>	<u>Total</u>
Operating Receipts		
Dwelling Rents, 40 X \$120 X 12 months	\$120.00	\$57,600
Administrative Expenses		
Administrative Salaries	15.00	7,200
Legal Expense	.24	115
Mileage	.75	360
Accounting & Auditing	.90	432
Rental, Maintenance Shop	2.12	1,018
Office Supplies	.85	408
Postage	.59	283
Copy Machine	.39	187
Loomis Armored Car	.31	149
Publications, Telephones, City Indirect Billings, Other Miscellaneous	4.89	2,347
Tenant Services, Recreation	3.19	1,531
Utilities (Water, Sewer, Owner-paid utilities) (Increased by straight 10%)	13.08	6,278
Maintenance		
Maintenance Salaries	20.43	9,806
Maintenance Materials	8.25	3,960
Maintenance Contract Costs (Painting, landscaping, etc.)	19.13	9,183
General Expense		
Insurance	7.51	3,605
Employee Benefits, Terminal Leave, etc.	10.87	5,218
Collection Losses	1.50	720
Replacement Reserve Contributions	<u>10.00</u>	<u>4,800</u>
Total Expenses	\$120.00	\$57,600

Above cost estimates based upon 9/30/80 experience in City Conventional and Elderly projects, with 9% added for salary increase at July 1, 1981, and a 7% inflation factor used for administrative cost items. (Assumes 1% for each of October and November, 1980, plus 5% average for December-November, 1981, or 10% overall for the year. Since this is a new building, maintenance materials and contract cost estimates were adjusted downward by 20%, in an effort to keep rents as low as possible.

FLOW CHART FOR ALKALI PROJECT TENANT SELECTION

EXHIBIT C

1. Advertise (5 thru 9).
2. Training and Preparation (5 thru 14).
3. Accept Applications (17 thru 19).
4. Review Applications (18 thru 21).
5. Home visits to verify eligibility (19 thru 25).
6. Notify Applicants of eligibility or ineligibility (20 thru 30).
7. Tenant Selection (December 1st).
8. Tenants Occupy Units.

N O V E M B E R																														December	
1st Week					2nd Week					3rd Week					4th Week																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30		

SHRA TENANT SELECTION PROCEDURES

All applications for housing in SHRA units will be reviewed for eligibility. Once eligibility of the applicant is established selection for assignment to Housing Authority units will be made in the following order:

- A. Income Range
- B. Bedroom Size
- C. Preference and Priority
 - 1. Without Housing
 - a. Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - b. Non-Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - 2. About To Be Without Housing
 - a. Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - b. Non-Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - 3. Substandard Housing
 - a. Unsafe Housing
 - (1) Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - (2) Non-Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - b. Unsanitary Housing
 - (1) Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - (2) Non-Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - c. Overcrowded Housing
 - (1) Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - (2) Non-Displaced
 - (a) Veterans
 - (b) Non-Veterans
 - 4. Disporportionate Rent
 - a. Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - b. Non-Displaced
 - (1) Veterans
 - (2) Non-Veterans

5. Elderly - Housing Requirements Waived
6. Other Eligible Applicants - Standard Housing
 - a. Displaced
 - (1) Veterans
 - (2) Non-Veterans
 - b. Non-Displaced
 - (1) Veterans
 - (2) Non-Veterans

Selection shall be made first from applicants who are residents or are working or will be working in Sacramento County and secondly from other families in the same order.

In cases of applicants with identical need, preference and priority, date and time of application will be the determining factor.

Agency staff, in conjunction with the Alkali Flat Project Area Committee (PAC), have determined that the policies presently governing occupancy and continued occupancy of the Agency's conventional housing program should be used for this project with the following exceptions:

1. Flat rents will be charged rather than 25% of income. Since there are no subsidy funds available for this project, charging 25% of the residents' income would not generate sufficient revenue to support its operation based on an analysis prepared by the Agency's Finance Department (see Exhibit B).

2. Income limits will be 90% of median or below, rather than 80%. A higher income limit ceiling is recommended to attract applicants who can better afford the flat rents which must be charged to render this project self-sufficient.

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4. The Community Services/Tenant Relations Committee of the Commission will be appointed as a task force to review the project's operations on a yearly basis.