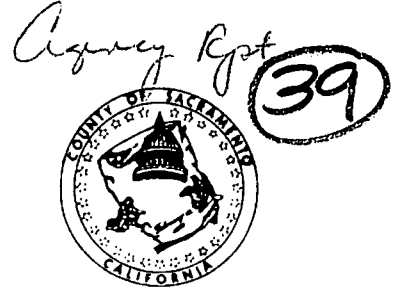




SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY



November 4, 1987

Sacramento City Council
915 I Street, Room 205
Sacramento, CA 95814

CITY MANAGER'S OFFICE

RECEIVED

OCT 28 1987

FILED
NOV 4 1987
Referred to T+CD Committee
BY THE CITY COUNCIL
OFFICE OF THE CITY CLERK

SUBJECT: Interim Report of City/County Housing Task Force

Honorable Members in Session:

Attached for your review is the Interim Report of you Housing Finance Task Force.

The Task Force has been working diligently over the past four to five months and, in my opinion, has come a long way in identifying the low-income housing needs in Sacramento and potential solutions to those needs.

Their final report is expected in several months. Your policy guidance would be useful at this point.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe Jr.

For: WALTER J. SLIPE
City Manager

0690D

FILED

1831

OFFICE OF THE
SECRETARY OF THE ARMY

SACRAMENTO CITY/COUNTY HOUSING FINANCE TASK FORCE

October 22, 1987

Sacramento City Council
915 I Street, Room 205
Sacramento, CA 95814

SUBJECT: Housing Finance Task Force

Honorable Members in Session:

On behalf of your City/County Housing Finance Task Force, I am pleased to report to you on our activities to date. Since its creation in February, the Task Force has worked diligently to fulfill the charges given it in your authorizing resolution. We have made significant progress and expect to have a final report completed in December.

Production of a significant number of affordable, very-low income units will require a concerted effort and commitments from both the private and public sectors, including investors(equity), conventional lenders (debt financing), and government (gap subsidy). The key to a successful program is the predictability of these funding commitments.

Approaches for obtaining commitments from the several necessary participants has dominated Task Force efforts. An additional vital element being addressed is the assistance and incentives that can be provided to developers by the City and the County to help reduce costs. All will be included in the final report.

The Task Force is cognizant of the significant amount of City and County funds that have been committed to low income housing from CDBG, Tax Increment, Mortgage Bond Administrative Fees and General Funds. The final report will recommend that these commitments be continued and, if possible, increased. These resources, however, cannot be expected to meet the Task Force's proposed target of 1,000 additional low-income units a year.

If this target is to be achieved, a new local source, dedicated to housing, must be found and a Housing Trust Fund must be established. Because of its overriding importance to a comprehensive financing strategy, to date the Task Force has concentrated its efforts on the issue of a trust fund.

ВУЗЫ И КОЛЛЕГИИ СЛЕДУЮТ НА ПОДСКАЗ ВНЕШНЕГО ЧЛЕНА БЮРО

Sacramento City Council

Page 2

The Task Force has investigated a wide range of potential funding sources for the trust fund. Our recommendations and findings will be sent forth in a final report.


It is our understanding that, as part of the settlement of certain North Natomas law suits, another housing trust fund involving development fees is being considered. Although we have not seen this proposal, it is our understanding that it focuses on market-rate, moderate income housing and is designed to meet air quality objectives.

The Task Force has taken no position on the merits of the settlement proposal, but is concerned that its adoption, without consideration of low income needs, could negate our efforts. In our view, two trust funds derived from the same sources would not be favorably received. We consider it essential, therefore, that there be an opportunity to fully explore the relationships between the two proposals and the potentials for their integration. Ideally, one program could be designed to meet both sets of objectives.

We urge that no action be taken on either trust fund concept before full consideration is given to their mutual impacts and opportunities for integration.

I and other Task Force members welcome the opportunity to discuss these issues with you or with whomever you designate.

Sincerely,



RON RULE, CHAIRMAN
City/County Housing Finance Task Force

RR:LS:drr

Attachment

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MEMORANDUM

TO: Lynn Robie, Chairperson, Transportation and Community Development
Committee

FROM: LORRAINE MAGANA, CITY CLERK

SUBJECT: REFERRAL TO ITEM NUMBER 39, COUNCIL
AGENDA OF November 4, 1987

DATE: November 9, 1987

Pursuant to Council action, the following subject matter is referred to your committee for hearing, report and recommendation:

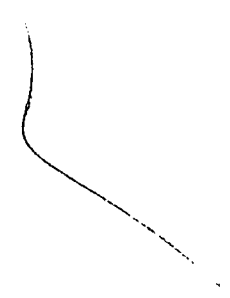
Interim Report of City/County Housing Task Force

LM/cc/39

cc: Alma Flores

Faint, illegible text, possibly bleed-through from the reverse side of the page.

Attest: _____
Secretary

A handwritten mark or signature in the bottom right corner of the page.