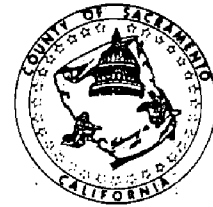




**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



9

December 6, 1988

Budget and Finance Committee
of the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: 1989 Agency Budget

SUMMARY

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

RECOMMENDATION

The staff recommends approval of the attached resolutions approving the proposed budget.

Respectfully submitted,

William H. Edgar
WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COMMITTEE:

Jack R. Crist

JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



December 5, 1988

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

Honorable Members in Session:

SUBJECT: 1989 Agency Budget

SUMMARY

This report includes resolutions for adoption of the 1989 Agency Budget.

BACKGROUND

On November 28, 1988, the subject document was submitted to the Sacramento Housing and Redevelopment Commission, City Council and Board of Supervisors. Additional copies are available for review in the City Clerk's office. Copies of the Budget will be distributed at the meeting. Attached are resolutions requiring approval:

1. Resolution adopting the 1989 Agency Budget
2. Resolution authorizing submission of annual housing operating budgets to Housing and Urban Development

In addition, the Department of Housing and Urban Development (DHUD) Housing Operating Budgets have been prepared based on the 1989 Agency organizational budget. These budget documents are to be submitted to DHUD upon approval of the organizational budget by the Governing Boards.

As is the case with many governmental budgets, many of the proposed expenditures have been previously approved by earlier policy decisions. For example, the previous approvals of the Community Development Block Grant (CDBG) applications have determined several million dollars of expenditures contained in this document. In

Redevelopment Agency and
Housing Authority of the
City of Sacramento

December 5, 1988

Page 2

In addition, most revenue sources place restrictions upon how their funds are used. Also, some of our revenues are a "pass through" nature and their ultimate use is beyond our control. These restricted funds constitute approximately seventy percent of this budget. Agency "flexible" revenue not ear-marked for specific purposes by the federal government totals only \$18 million, representing Section 8 administrative fees, tax increments and garage income.

Requested positions have increased by 27 full-time equivalent positions from a current authorized total of 312 to 339 positions. A summary of organizational changes are as follows:

- 1) The Agency Clerk's organization has been consolidated with the Office of the Executive Director.
- 2) Finance has been separated into two units; Accounting Services and Data Processing.
- 3) Community Development has been changed to reflect a previously approved reorganization consolidating Special Projects with Community Development.
- 4) Housing Comprehensive Improvement Assistance Program (CIAP) has been consolidated with the Maintenance organization.
- 5) Community Services has been altered to reflect the implementation of Gateway Services.
- 6) Interns previously budgeted in individual organizations have been separated into one non-departmental organization to be controlled by the Personnel Director.

A summary of major policy items is shown below:

- 1) Section 8 administrative fees have been used to subsidize the Conventional Housing Program. This is consistent with previous years.
- 2) Payment-in-Lieu-of-Taxes ("Pilot") has been used to fund the administrative cost for Community Services programs not covered by specific grants. This is consistent with previous years.

- 3) A Housing Modernization - Development Fund has been established using interest earnings on Light Rail redevelopment funds.
- 4) A Vehicle Replacement Fund has been implemented to replace existing vehicles when established maximum mileage figures are reached.
- 5) At December 31, 1989, all Redevelopment Area Fund balances will be re-committed to previously approved capital projects.

FINANCIAL DATA

The 1989 Budget totals \$120.8 million, \$57.6 million for operations and 63.2 million for capital projects.

The operating budget has increased from a total of \$55.3 million in 1988 to \$57.6 million in 1989, an increase of \$2.2 million or 4%. This operating increase is funded by an increase in estimated revenues from \$51.3 million in 1988 to \$59.6 million in 1989, an increase of \$8.3 million.

The capital improvement budget has decreased by \$21.1 million from a total of \$84.3 million in 1988 to \$63.2 million in 1989. This decrease is a result of a reduced Capital Improvement Carryover list and a smaller schedule of new Capital Improvements Projects due to reduced funding from our revenue sources and the lack of Tax Allocation Bond funds in 1989.

ENVIRONMENTAL REVIEW

This action is not a project under CEQA, as defined under Section 15378 (b) (3).

POLICY IMPLICATIONS

The action proposed in this staff report is consistent with previously approved policy and there is no policy change being recommended.

Redevelopment Agency and
Housing Authority of the
City of Sacramento
December 5, 1988
Page 4

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of December 5, 1988, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolutions. The votes were as follows:

AYES:

NOES:

ABSENT:

RECOMMENDATION

The staff recommends that the Housing Authority and the Redevelopment Agency (1) adopt the attached resolutions adopting the 1989 Agency Budget; and (2) authorize submission of the annual housing operating budgets to DHUD.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Terry Wolford

79-111

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

ADOPTING THE BUDGET FOR THE REDEVELOPMENT AGENCY
OF THE CITY OF SACRAMENTO FOR 1989

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

Section 1: The budget dated November 23, 1988 is hereby approved as the Budget of the Redevelopment Agency of the City of Sacramento for the 1989 calendar year.

Section 2: New budget positions or classifications in the Budget are hereby approved subject to classification review by the Executive Director.

Section 3: Unspent appropriations relating to capital improvements projects in progress at December 31, 1988 are carried forward in the calendar year 1989.

Section 4: As to the items contained in Section G of the Budget, the Capital Improvements Program, and those items only, the budgeted amount for any item therein may be amended by majority vote of the Governing Body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.

Section 5: The Executive Director is authorized to submit the Annual Housing Operating Budgets for 1989 to the United States Department of Housing and Urban Development.

Section 6: This resolution shall take effect immediately.

CHAIR

ATTEST:

SECRETARY

1100WPP2(187)

RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF

ADOPTING THE BUDGET FOR THE HOUSING AUTHORITY
OF THE CITY OF SACRAMENTO FOR 1989

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

Section 1: The budget dated November 23, 1988 is hereby approved as the Budget of the Housing Authority of the City of Sacramento for the 1989 calendar year.

Section 2: New budget positions or classifications in the Budget are hereby approved subject to classification review by the Executive Director.

Section 3: Unspent appropriations relating to capital improvements projects in progress at December 31, 1988 are carried forward in the calendar year 1989.

Section 4: As to the items contained in Section G of the Budget, the Capital Improvements Program, and those items only, the budgeted amount for any item therein may be amended by majority vote of the Governing Body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.

Section 5: The Executive Director is authorized to submit the Annual Housing Operating Budgets for 1989 to the United States Department of Housing and Urban Development.

Section 6: This resolution shall take effect immediately.

CHAIR

ATTEST:

SECRETARY

1100WPP2(187)