



31

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

September 24, 1980

CITY MANAGER'S OFFICE
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City Council of the City
of Sacramento
Redevelopment Agency of the
City of Sacramento
City Hall, 915 I Street
Sacramento, California 95814

CITY GOVERNING BOARD:

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- Lloyd Connolly
- Lynn Roble
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EXECUTIVE DIRECTOR:

William G. Seline

P.O. Box 1834
Sacramento, CA 95809
1830 I Street
Sacramento, CA 95814
(916) 444-9210

Honorable Members in Session:

SUBJECT: Recommendations for the Rehabilitation Program and Release of Remaining 1980-81 Community Development Block Grant Rehabilitation Funds

SUMMARY

The SHRA Commission, after considerable deliberation, is recommending an 8-point plan establishing policies and priorities to modify and strengthen the rehabilitation program. Major recommendations include the setting of priorities for 312 loans for qualified low and moderate income persons, establishment of a Loan Committee to screen and approve loan and grant applications and an arbitration procedure to settle disputes. Changes directed by the Budget and Finance Committee have been incorporated in these recommendations.

BACKGROUND INFORMATION

In response to the charge of Chairman Miller, the Rehabilitation Loan Policy Committee has undertaken a thorough review of the Rehabilitation Loan and Grant Programs administered by the Agency in the City and County areas. This review included eight public meetings (February 28, March 6, March 13, March 27, April 3, April 10, April 22 and May 1), extensive inquisition of the Agency staff as well as substantial opportunity for public comment, including those who have had work performed under the programs in question. The attached recommendations are based upon all of the testimony and evidence received at the hearings and later input from the Project Area Committees and Sacramento County CDBG/Revenue Sharing Advisory Commission, and reviewed and modified by the Budget and Finance Committee.

APPROVED

SACRAMENTO REDEVELOPMENT AGENCY

Date 9/30/80

9/30/80

APPROVED
BY THE CITY COUNCIL

SEP 24 1980

OFFICE OF THE
CITY CLERK

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council of the City
of Sacramento
Redevelopment Agency of the
City of Sacramento

Page Two
September 24, 1980

FINANCIAL DATA

No impact.

RECOMMENDATION OF THE BUDGET AND FINANCE COMMITTEE ON RELEASE OF REMAINING 1980-81 CDBG FUNDS FOR SHRA REHABILITATION PROJECTS

The Budget and Finance Committee, at its regular meeting of September 23, 1980 in addition to approving and recommending the rehabilitation guidelines also approved and recommended the release of the remaining 1980-81 CDBG funds for rehabilitation programs administered by the Sacramento Housing and Redevelopment Agency.

RECOMMENDATION

1. It is my recommendation that you adopt the attached Redevelopment Agency resolution approving the rehabilitation guidelines.
2. It is my recommendation that you adopt the attached City Council resolution approving the release of remaining 1980-81 Community Development Block Grant rehabilitation funds administered by the Sacramento Housing and Redevelopment Agency.

Respectfully submitted,

for Beverly Cyberk
WILLIAM G. SELIVE
Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slipe
WALTER J. SLIPE
City Manager

Contact Persons: Sam Walton
Leo Goto/Mike Hanamura

RESOLUTION NO. 80-643

Adopted by The Sacramento City Council on date of

A RESOLUTION AUTHORIZING THE REDEVELOPMENT AGENCY AND THE HOUSING AUTHORITY TO EXECUTE THE CITY OF SACRAMENTO'S COMMUNITY DEVELOPMENT BLOCK GRANT PROJECTS

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

Section 1.

That the Redevelopment Agency of the City of Sacramento and the Housing Authority of the City of Sacramento are hereby authorized to undertake and complete the activities set forth in Section 2 and 3 of this Resolution for which the City of Sacramento has received federal funds pursuant to the Community Development Block Grant program in accordance with City Agreements No. 76-129 and 76-130 executed on December 1, 1976.

Section 2.

The following projects and expenditures, as more particularly described in the City of Sacramento's 1980-81 Community Development Block Grant Application are hereby authorized to be carried out by the Redevelopment Agency of the City of Sacramento:

1. Federal Section 312 Loan Administration	\$150,000
2. Sacramento Neighborhood Assistance Program (SNAP)	525,000
3. Painting/Beautification Program	112,500
4. Relocation Assistance Rehabilitation Program	41,250
5. CD Rehabilitation Grant Program	262,500
6. HO/HI Program Administration	75,000

Section 3.

The following project and expenditures, as more particularly described in the City of Sacramento's 1980-81 Community Development Block Grant Application are hereby authorized to be carried out by the Housing Authority of the City of Sacramento:

1. Housing Opportunity Program for Emergency Repairs (HOPE)	\$187,500
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MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

SEP 30 1980

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2940

Adopted by the Redevelopment Agency of the City of Sacramento

September 30, 1980

APPROVING REHABILITATION POLICIES
FOR THE SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY

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

1. The attached Rehabilitation Policies, attached hereto and
marked Exhibit "A", are hereby approved.

CHAIRMAN

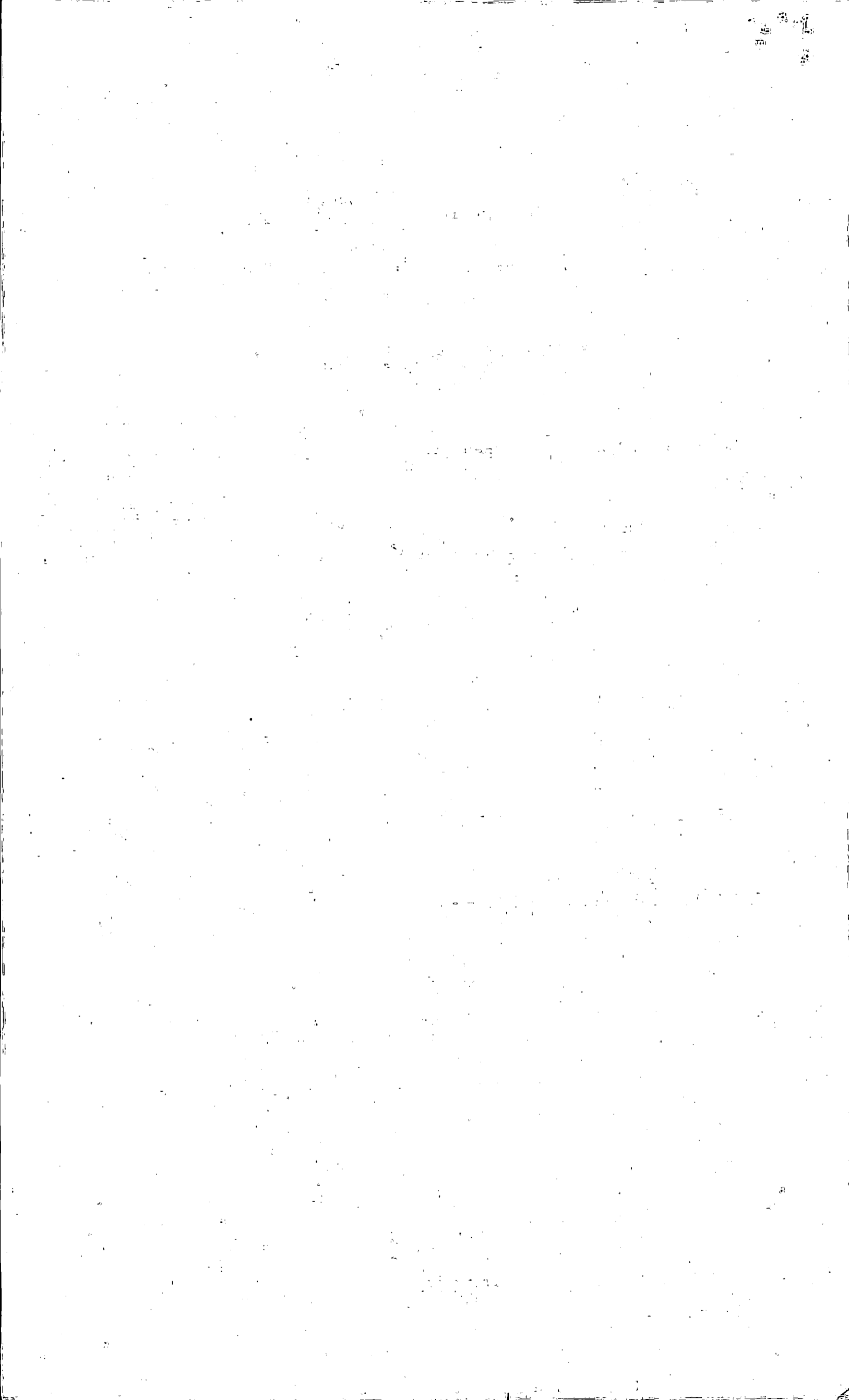
ATTEST:



SECRETARY

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date: 9/30/80



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

RECOMMENDED REHABILITATION POLICIES

I. Priorities for Section 312 Loan Program

- A. First priority be given to qualified low and moderate income applicants to the extent that available applications are in substantial proper form. (Note: I. A. and B. approved subject to a report back clarifying differentiation between low and moderate income and reasons why applicable only to 312 loans.)
- B. Second priority should be given to neighborhood revitalization applicants where those applicants' applications are in proper form.
- C. No funds be set aside for commercial loans from single family one or four unit 312 funding or from multi-family five plus units 312 funding.

II. Agency Loan Committee

An Agency Loan Committee be established to review and approve all individual loan and grant applications (excluding SB 966 and HOHI loans which are approved by the State Department of Housing and Community Development, and excluding FHA Title I loans which are approved through Security Pacific Bank). The Loan Committee shall be comprised of the Executive Director or his designee, the Chief Counsel or his designee, and three Commissioners appointed by the Chairman. A majority vote of the Loan Committee would be necessary to approve any loan. However, it was recommended that all three Commissioners need not be present at all meetings.

III. Loan Application Approval

Applications for financial assistance from low/moderate income persons, who are in the categories that follow, shall be considered subject to examination and review by the Commission in open session:

- A. City employees;
- B. County employees;
- C. City Project Area Committee (PAC) staff;
- D. City Project Area Committee (PAC) members;
- E. County Target Area Committee (TAC) members.

IV. Formal Dispute Resolution Process be Established to Include Binding Independent Arbitration (Note: Approved, subject to report back on details of procedure and implementation.)

- A. Work write-ups should specify sequence of work to be performed and a timetable of completion dates must be established. (Note: Approved, subject to report back detailing normal schedule and timetables.)
- B. The homeowner, the contractor and Agency staff must sign an agreement stating the work to be performed and whether that work was completed in a satisfactory manner. This statement should be signed by all parties at the beginning of the work, the middle of the work and the end of the work. If a dispute should arise between the homeowner and the contractor, the Agency should make a determination. If the parties are unwilling to abide by the Agency's decision, the matter must be submitted to binding independent arbitration. These provisions must be incorporated into the contracts to be signed by the parties.

V. Bonding of Contractors Not Be Required (Note: Not approved as submitted. Report back identifying alternative measures.)

VI. Preparation of Brochure or Handbook

A brochure or handbook be prepared which would more fully acquaint the homeowner with the nature of the Agency's programs and the role of the Agency in those programs.

VII. Agency's Personnel Rules and Regulations

These rules and regulations be revised to include a provision prohibiting the acceptance of any gift by Agency employees which would require a disclosure under the Conflict of Interest Code. (Note: Approved, subject to report back detailing implementation.)

VIII. Code Enforcement Items, Property Rehabilitation Standards and General Improvements

Not less than sixty percent (60%) of the loan amount be designated for code enforcement items only. The remaining forty percent (40%) of the loan amount could continue to be used for general improvements. It is noted that this would involve a change from the present policy which requires that the 60% be employed only for work included in the Property Rehabilitation Standards, a more inclusive grouping.