



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



103

December 3, 1991

City Council
Redevelopment Agency and
Housing Authority of the
City of Sacramento
Sacramento, California 95814

Honorable Members in Session:

SUBJECT: 1992 Agency Budget



APPROVED
BY THE CITY COUNCIL

DEC 3 1991

OFFICE OF THE
CITY CLERK

LOCATION AND COUNCIL DISTRICT

City



SUMMARY

The Sacramento Housing and Redevelopment Commission held three public hearings on the 1992 Agency Budget. Based on the hearings, the Commission recommended the changes identified in Exhibit A of the attached transmittal letter.

COMMISSION ACTION

At its meeting of November 20, 1991, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Amundson, Diepenbrock, Moose, Simon, Simpson, Yew, Strong

NOES: None

ABSENT: Cespedes, Pernell, Williams, Wooley

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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STAFF RECOMMENDATION

The staff recommends approval of the 1992 Agency Budget.

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BACKGROUND

The Sacramento Housing and Redevelopment Commission conducted public workshops on November 6, 13 and 20, 1991 for the 1992 Agency operating and capital improvement budget. The public hearings were advertised in the Sacramento Bee, Union, Observer and El Hispano.

The applicable neighborhood redevelopment budgets were discussed with the respective project area committees. The Alkali Flat PAC met on October 30, 1991, the Del Paso Heights RAC met on October 9, 1991, and the Oak Park PAC met on November 6, 1991.

The 1992 Proposed Agency Budget document was distributed to you on November 18, 1991.

FINANCIAL CONSIDERATIONS

The financial considerations are discussed in the attached transmittal letter and detailed in the budget document.

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ENVIRONMENTAL REVIEW

The proposed action does not constitute a project under CEQA per Guidelines Section 15378(b)(3), nor a federal undertaking under NEPA.

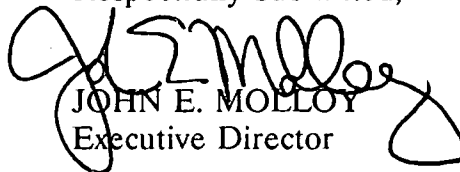
POLICY CONSIDERATIONS

Recommendations contained are consistent with previous governing board direction.

MBE/WBE REVIEW

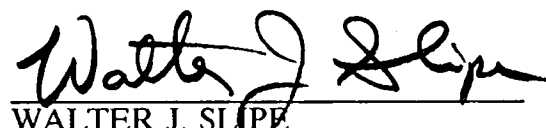
The submittal of budget documents are not subject to MBE/WBE review.

Respectfully Submitted,


JOHN E. MOLLOY
Executive Director

TRANSMITTAL TO COUNCIL

For Council Meeting of:
December 3, 1991


WALTER J. SLUPE
City Manager

Contact Person: Satoshi Matsuda
440-1370

(iii)



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



December 3, 1991

City Council, Housing Authority and
Redevelopment Agency of the City of Sacramento
Board of Supervisors, Housing Authority and
Redevelopment Agency of the County of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: The Recommended 1992 Budget

I am pleased to present a balanced 1992 budget proposal for your consideration. The budget document before you provides full financing for all approved Agency operations through December of 1992. As in previous years, we have had to support our housing and community services operations, in part, from community development resources. Additionally, continued sluggishness in the economy as a whole has kept us from expanding services to those in need as we would otherwise like to have done. As you know, during slow growth periods, redevelopment activities are seriously effected in that loan and construction activities are curtailed, keeping our revenues relatively flat. Nevertheless, within the limits set forth in this document, the Agency continues to be a financially stable place from which to implement Board and Council housing, community development and community services policies and programs.

As you will note in the proposal, we have made several "one-time" adjustments in order to balance our housing and community services budgets. Financial setbacks have occurred regarding litigation at the state level which adversely affected our tax revenues from utility properties and the cost of collecting our taxes has also gone up pursuant to new state legislation.

On the positive side, a favorable IRS ruling relative to Riverview Plaza has increased our revenues there and our tax increment funds have remained stable despite the slow economy.

For 1992, our projected total "annualized expenditure" budget is \$ 73,006,976 and our projected capital expenditure budget is \$ 119,840,928 which is divided into \$26,530,000 in new projects and \$ 93,310,928 in capital carryover. Annualized expenditures include staff costs, debt service, housing payments to landlords under Section 8, community based organization operations, rehabilitation and economic development loans and other operating expenditures. Our capital expenditures include "brick and mortar" projects funded through tax increments, Community Development Block Grant funds and other federal and state grants. Many of the projects are funded through our 1989 and 1990 tax increment bonds.

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Immediately following this letter is an Executive Summary of our revenues and expenditures and the steps we had to take in order to balance this year's budget (see Attachment I). It is clear that future economies must be achieved in our social services areas over the next five years in order to continue in balance. A more detailed discussion of this issue is provided in Attachment II.

Given our overall fiscal situation and that of the City and County as a whole, I am not proposing any new positions for 1992. Total recommended positions are 373. Our 1992 salary recommendations will be covered in a separate report, however, I can tell you that we will be honoring our labor contracts and proposing a management package balanced between City and County actions previously taken. I have also asked each department head to manage their hiring to fill vacancies in order to achieve an overall two and one-half percent salary savings, which should be feasible given past performance.

With respect to our projects and programs, although 1991 was a successful year for the Agency in many ways (a list of significant achievements is provided in Attachment III) much remains to be done and we remain frustrated in full realization of our objectives in several important areas. Notable among these are:

1. HOUSING PROVISION

While the Agency has been successful in implementing numerous specific housing projects and programs over the years, significant housing needs remain unmet. Troubling to me is the fact that we have not developed a reliable delivery system for construction of high quality mixed income housing projects in this community. While we have some good non-profit and for profit entities involved in housing production, there is no entity, such as BRIDGE in the Bay Area, which can be relied upon to deliver product on a consistent basis. This will be extremely important as our Housing Trust Fund monies are released and as the new federal HOME Program is implemented.

2. NEIGHBORHOOD REVITALIZATION

The problems in our low-income neighborhood areas persist. Despite some positive signs, boarded and vacant housing units, commercial development projects which remain unimplemented, continuing crime and gang related activities and other problems remain as visible symbols of disinvestment in many of these areas. Some issues seem simply to go unattended to. This must change.

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3. THE HOMELESS

Our homeless shelters are overwhelmed. This past summer we had a significant "fair weather" turn away rate at our existing shelters. The winter "overflow" shelter is now approaching capacity as well. We must develop an increased capacity for transitional housing and employment which has the capability to move people out of the shelters and into programs which bring them closer to the mainstream.

4. EMPOWERMENT

I am extremely concerned about safety and living conditions in our Housing Authority owned developments. Improved screening procedures, management controls and maintenance and law enforcement efforts must be combined with pro-active "empowerment" programs to improve the lives of our residents.

5. DOWNTOWN RENEWAL

Progress in Downtown remains slow. Although the Downtown Plaza Project appears to be moving forward, our "Docks" plans, including a waterfront hotel and the Museum of Railroad Technology remain unimplemented and Lot A will probably be delayed at least 18 months. Several sites including those with boarded buildings at 9th and J and 8th and K need serious attention and much remains to be done on our cultural facilities development program as well. Lack of progress in housing development was discussed above but impacts Downtown as well.

Taken together, these problems add up to very significant challenges at a time when revenue projections are pessimistic. Despite this revenue pessimism, we have a number of ideas and initiatives set forth below, which we would like to pursue in an attempt to meet the challenges outlined above. Your guidance is sought in how to best proceed.

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1. HOUSING

In the housing area, we have a number of programs and projects in process or on the drawing boards for 1992.

Among these are:

- a) Completion of the 100 units of public housing new construction and 100 units of acquisition rehabilitation currently under construction as well as commencement of plans for the 200 units recently approved by the federal Department of Housing and Urban Development.
- b) Continuation of our single family rehabilitation and emergency repair programs targeting 200 and 250 units respectively.
- c) Federal tax laws permitting, issuance of \$ 55 million (400 units) in new single family mortgage revenue bonds and \$ 55 million in Mortgage Credit Certificates (500 units).
- d) Issuance of requests for proposals on a number of housing projects including:
 - o 10th & T Street
 - o 17th & K Street
 - o Additional Northeast Neighborhood Site(s)
 - o R Street New Construction
 - o SRO New Construction and Rehabilitation
- e) Ground breaking on the 4th & T Street co-housing project.
- f) Acquisition of additional Southside Neighborhood sites.
- g) Beginning construction on the Shasta/Argus project.
- h) Initiation of implementation of the Downtown Housing Strategy.
- i) Completion of the 1111 G Street mixed use project and other projects in Alkali Flat.
- j) Initiation of our "sweat equity" construction program in Del Paso Heights under the direction of Rural California Housing Corporation.

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- k) Completion of parcel acquisition and selection of developers on our Del Paso Heights Planned Unit Development.
- l) Ground breaking on the Norwood Avenue family demonstration project.
- m) Initiation of construction on our Oak Park infill program.
- n) Selection of a developer for rehabilitation of the Woodruff Hotel in Oak Park.
- o) Completion of our 44th Street ownership units through Rural California Housing Corporation.
- p) Assistance to Habitat for Humanity on several new projects.
- q) Continued assistance to Neighborhood Housing Services.
- r) Ground breaking on the new Mutual Housing project.
- s) Finalization of plans for use of the Mather Air Force Base housing facilities.
- t) Continued support for developers who have obtained tax credits or state grant funds.
- u) A first Housing Trust Fund Request For Proposals.
- v) Receipt of our first HOME program funding (anticipated at \$ 4.9 million) and allocation of that funding to projects.
- w) Support of the newly formed Home Loan Counseling Center.
- x) Continued modernization of our older public housing.
- y) Additional matches through the Sharers Allied in Living (SAIL) program.
- z) Continued assistance to the Home Assistance Repair Program for Seniors (HARPS).

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- aa) Continued support for the Human Rights/Fair Housing Commission.

As noted above, however, despite the fact that we have an aggressive project/program agenda, what we do not have is an institutionalized capacity to deliver high quality mixed income projects County wide. My goal for 1992 is to get beyond the "project" agenda to establishment of an organizational capacity upon which we can depend for routine delivery of quality mixed income product.

2. NEIGHBORHOODS

An important contributing factor in our continuing inability to deal effectively with the serious problems in our neighborhoods is the difficulty in coordination between various agencies and the tremendous "administrative energy" which must be expended in order to bring together the forces necessary for code enforcement, housing rehabilitation, neighborhood clean-up, anti-drug activity, etc. It is not sufficient for the Agency to merely focus on our specific "bricks and mortar" projects (although they are very important as well). We must become more effective in dealing holistically with neighborhood issues, resources and opportunities.

Toward that end, I have asked our Agency staff working in the neighborhoods to take a proactive position relative to what needs to be accomplished in those neighborhoods. What is needed is development of an attitude of responsibility for what is happening in each neighborhood and the ability to do something about it. If something is not right in one of our neighborhood areas, staff must act as the catalyst for focussing available governmental resources on the problem. Working with neighborhood representatives, I believe we can develop a more aggressive posture toward abandoned properties, clean-up issues, and drug and crime problems, as well as the physical improvements required in our low-income areas. Many initiatives along these lines are already under way.

We will also continue our work on designation of several new neighborhood redevelopment areas and will be increasing our committment to the Meadowview area as well.

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3. HOMELESSNESS

As I visit other programs around the state (and nation), and see what is done elsewhere, I am very proud of the collective effort which we have mounted in dealing with the problem of homelessness. We have an efficiently run shelter network which has incorporated job training, life problem resolution and transitional housing capabilities.

Nevertheless, much more remains to be done. One of our more serious problems has been lack of shelter space in part owing to our inability to develop adequate transitional housing into which our shelter residents can be moved. In 1992, while we may need some focus on shelter space, our primary effort will be in working with local non-profit service providers to develop additional transitional opportunities.

Specific opportunities which we will be working to develop include:

- a) The recently approved (\$1.4 million) family transitional housing grant.
- b) Further collaboration with the County Department of Social Services to integrate our resources.
- c) Development of our proposal for use of the Mather Air Force Base officers and enlisted personnel quarters for transitional housing and job training programs.
- d) Additional coordination with the federal Departments of Housing and Urban Development and Labor.

4. EMPOWERMENT

Several crime related incidents in our Housing Authority owned units during 1991 reminded us of our responsibility for the safety and security of our own residents. During 1992, it will be important to extend support and security services to our residents in order to assist them in improving their existing environment and in transitioning them out of assisted housing. Additionally, planned modifications in our screening procedures and maintenance operations should help as well. We will be realigning our staffing structure to better focus our resources toward assisting our residents.

On a broader front, the Agency staff is reviewing our social service programs in order to bring them into closer coordination with other human services offered through the County and is participating fully in the planned consolidation of social services initiated by the County Executive.

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5. DOWNTOWN RENEWAL

While we have made considerable progress over the years in achieving Downtown renewal, much more remains to be done. Further, the rate of change is not satisfactory. It is taking us far too long to achieve our goals of an 18 hour, active Downtown environment. I am committed to increasing the rate at which these improvements are made.

On the Agenda for 1992 therefore are:

- a) Initiation of construction on Downtown Plaza;
- b) Ground breaking on Phase I of the Plaza Park improvements;
- c) Final Selection of a developer and initial clearance on the 9th & J Street parcel;
- d) Determination of a course of action on the boarded up section of K Street between 8th and 9th;
- e) Approval of the Richards Boulevard/Southern Pacific specific plan and Environmental Impact Report;
- f) Initiation of a streetscape and public infrastructure upgrade plan for the J Street demonstration area;
- g) Design and ground breaking on improvements to the Docks waterfront between Tower Bridge and "O" Street;
- h) Design and ground breaking on three mini-parks in Old Sacramento;
- i) Completion of design and initial construction of the streetscape/linkage improvements around Downtown Plaza;
- j) Selection of a system and adoption of an initial financing plan for a Downtown shuttle;
- k) Identification of the Agency's role in the implementation of the cultural facilities plan;
- l) Design of Phases III and IV of the Crocker Art Museum Expansion;
- m) Selection of developers for housing projects at 17th & K Street, the Northeast Neighborhood, 10th & T and R Street;
- n) Rehabilitation of the Shasta/Argus;
- o) A decision on the Capitol Towers proposal;
- p) Numerous facade/rehabilitation projects;
- q) A revised and strengthened historic preservation plan for Downtown;
- r) Implementation of further Arts and Entertainment District activities;
- s) Ground breaking on Memorial Auditorium; and
- t) Completion of the One Capital Mall project (formerly 111 Capitol Mall).

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A number of other activities in Alkali Flat, Southside and in Midtown, pursuant to the Downtown Housing Strategy, as well as the Convention Center expansion, begin to move us toward the more aggressive agenda we would like. Nevertheless, we must go beyond these planned activities to position Downtown in the competitive place it needs to be to continue to act as the cultural and transportation hub of the region. Toward that end, we must aggressively support development which is in comportment with our adopted plans and policies and continue to encourage governmental and private sector office, as well as commercial and housing development which supports those plans.

As indicated at the start of this letter, money is tight and new initiatives must be carefully chosen. For the most part, the projects and programs referenced above must be carried forward within existing budget constraints and as part of adopted/financed programs.

The favorable tax decision on Riverview Plaza does allow us to free up \$1.5 million of 1990 Tax Allocation Bond Funds for some new projects this year. In one way or another, they relate directly to the five areas of emphasis discussed above. Attachment IV identifies proposed uses for this amount. The one outstanding previously discussed issue is funding for additional police protection in Oak Park which is still being debated at the Project Area Committee.

In closing, I look forward to serving you throughout 1992. I am very proud of the Agency staff for their dedication and level of commitment and know that they will be doing their best to serve you as well. I again appreciate your support in helping me form a strong management team here and am hopeful of accomplishing much.

Sincerely,


JOHN E. MOLLOY
Executive Director

Attachments

JEM:sg
budg.ltr/10-91

RESOLUTION NO. 91-969

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

APPROVED
BY THE CITY COUNCIL

DEC 3 1991

OFFICE OF THE
CITY CLERK

**ADOPTING THE BUDGET FOR SACRAMENTO HOUSING AND
REDEVELOPMENT AGENCY FOR 1992**

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

Section 1: The 1992 Budget totalling \$73,006,976 for operations, 1992 New Capital Improvements Budget totalling \$26,530,000 and prior year carryover of \$93,310,928 are approved as the Budget of Sacramento Housing & Redevelopment Agency for the 1992 calendar year.

Section 2: A total of 373.09 positions, an increase of .28 position are hereby approved subject to classification review by the Executive Director.

Section 3: The budgeted amount for any item in the 1992 Capital Improvement Budget may be amended by majority vote of the Governing Body of the entity 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 of the remaining entities.

Section 4: The Executive Director is authorized to submit the Annual Housing Operating Budgets and all supporting documents for 1992 to the United States Department of Housing and Urban Development (HUD), including all required amendments, for utilities and other miscellaneous adjustments.

Section 5: The proposed expenditures under the 1992 Housing Operating Budgets are necessary in the efficient and economical operation of the housing to serve low-income families.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 6: The housing financial plan is reasonable in that:

- a. It indicates a source of funding adequate to cover all proposed expenditures.
- b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.

Section 7: All proposed rental charges and expenditures shall be consistent with provisions of law and the Annual Contributions Contract.

Section 8: The funding gap between federal sources and operating costs for the City Conventional Units shall be funded by tax increment funds from City redevelopment areas on a per unit of benefit basis, approximately as follows:

<u>Redevelopment Area</u>	<u>City Conventional Units</u>	<u>Amount</u>
Alkali Flat	92	\$ 62,000
Del Paso Heights	40	\$ 27,000
Oak Park	84	\$ 56,000
Downtown/Richards	<u>1,472</u>	<u>\$159,500</u>
	<u>1,688</u>	<u>\$304,500</u>

The expenditure of tax increment funds for such housing, in the manner specified, benefits the respective redevelopment areas in that the housing is in or adjacent to the respective redevelopment areas and provides housing for low-income families, which housing stock is currently inadequate.

Section 9: The Executive Director is authorized to enter into necessary contracts with HUD and other federal, state, and local granting agencies for programs contained with this Budget. Including, but not limited to the following:

Community/Social Services Grants:

<u>Grant</u>	<u>Budgeted Amount</u>
Senior Companion Title IIIB	\$ 61,903
Community Information Center Title III	\$ 48,253
Congregate Meals Title III	\$ 564,264
Congregate Meals US Dept of Agriculture	\$ 113,573
Home Delivered Meals Title III	\$ 339,030

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

Home Delivered Sacramento County Health	\$ 31,456
Congregate Meals US Dept of Agriculture	\$ 66,817
Senior Center Shuttle Title III	\$ 80,383
Sharers Allied In Living Title III	\$ 8,154
County School Crossing Guards	\$ 229,736
County Foster Grandparent Senior Senior Companion	\$ 95,727
County Health Dept. Grant Community Services (Adult Services)	\$ 35,000
County Welfare Dept. Grant Community Services (Community Info.)	\$ 96,999
Senior Companion Federal Action	\$ 60,994
Foster Grandparents Federal Action	\$ 149,416
Retired Senior Volunteer Federal Action	\$ 67,014
Senior Companion State SC92-93-02	\$ 73,406
Foster Grandparent State FG92-93-02	\$ 32,897
Child Development Federal Nutrition State Dept. of Education	\$ 286,365
State Dept. of Nutrition	\$ 2,800
SETA Senior Companion	\$ 19,000
U.S. Department of HUD for:	
Emergency Shelter Grant Program	\$ 199,000
Supportive Housing Demonstration Program	\$ 536,333
Transitional Housing Demonstration Program	\$ 91,072
Sacramento Employment and Training Agency Community Services Block Grant	\$ 30,000
Stewart B. McKinney Homeless Assistance Act Funds	\$ 85,381
JOB Title IIA Funds	\$ 45,485
California State Department of Housing and Community Development Emergency Shelter Program	\$ 200,000
Sacramento County Department of Social Services County General Funds	\$1,538,015
Sacramento County Administration and Finance Agency County General Funds	\$ 400,000
Sacramento County Health Alcohol Drug Program	\$ 416,504

Such amounts are estimates of grants to be applied for, approved and accepted in calendar year 1992 and for the 1992-93 fiscal years of the grantors. The Executive Director is delegated the authority to accept grants in amounts, or to amend the Agency budget for augmentations of individual grant amounts not to exceed an additional \$100,000

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RESOLUTION NO.: _____

DATE ADOPTED: _____

more than that specified for such grant provided that grantor is fully funding the augmentation. Such augmentations are permitted for positions, services and supplies, and equipment.

Section 10: Downtown tax increments fund has contributed to a wide variety of programs and activities over the years and continues to do so. As 1991 closes, the Executive Director is authorized to reimburse Downtown for funds advanced to other programs as monies become available.

Section 11: On an annual basis, HUD requires the Agency to conduct a physical inventory and accordingly, reconcile and adjust related financial records. The Executive Director is authorized to amend the budget as needed for such adjustments.

Section 12: The Executive Director is authorized to make transfers of fund balances for 1991 to accommodate reserve requirements. The Executive Director may allocate and transfer any fund balances in excess of the fund balances set out in this budget to reserves held for contingency or to reduce budget shortfalls in any other fund balances, provided monies so used are not restricted by law or regulation related to the funding source.

Section 13: The Executive Director is authorized to transfer monies for capital projects funded by Downtown tax increment to the Certificate of Participation (COP) fund to utilize COP interest earnings in compliance with the required use of this interest.

Section 14: As Riverview Plaza will not require the full \$2.5 million anticipated in 1990 for the future pay off of the mortgage, the Executive Director is authorized to prepay the First Interstate Bank loan in the amount of \$1.0 million in 1991 and to reallocate \$1.5 million of this funding as detailed in the 1992 Agency budget.

Section 15: The Executive Director is authorized to obtain flood insurance through the federal flood insurance program as required by HUD.

Section 16: The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 1992 Budget.

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RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 17: This resolution shall take effect immediately.

MAYOR

ATTEST:

CITY CLERK

U:\SHARE\RESO\RESO92.SM²

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

RESOLUTION NO. 91-099

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 1992

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

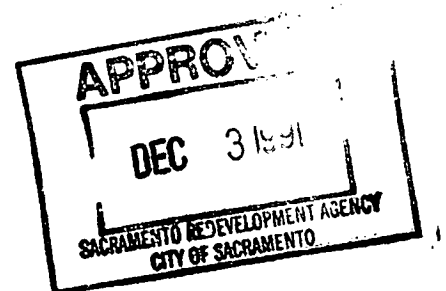
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Section 5: The proposed expenditures under the 1992 Housing Operating Budgets are necessary in the efficient and economical operation of the housing to serve low-income families.



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Section 6: The housing financial plan is reasonable in that:

a. It indicates a source of funding adequate to cover all proposed expenditures.

b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.

Section 7: All proposed rental charges and expenditures shall be consistent with provisions of law and the Annual Contributions Contract.

Section 8: The funding gap between federal sources and operating costs for the City Conventional Units shall be funded by tax increment funds from City redevelopment areas on a per unit of benefit basis, approximately as follows:

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The expenditure of tax increment funds for such housing, in the manner specified, benefits the respective redevelopment areas in that the housing is in or adjacent to the respective redevelopment areas and provides housing for low-income families, which housing stock is currently inadequate.

Section 9: The Executive Director is authorized to enter into necessary contracts with HUD and other federal, state, and local granting agencies for programs contained with this Budget. Including, but not limited to the following:

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more than that specified for such grant provided that grantor is fully funding the augmentation. Such augmentations are permitted for positions, services and supplies, and equipment.

Section 10: Downtown tax increments fund has contributed to a wide variety of programs and activities over the years and continues to do so. As 1991 closes, the Executive Director is authorized to reimburse Downtown for funds advanced to other programs as monies become available.

Section 11: On an annual basis, HUD requires the Agency to conduct a physical inventory and accordingly, reconcile and adjust related financial records. The Executive Director is authorized to amend the budget as needed for such adjustments.

Section 12: The Executive Director is authorized to make transfers of fund balances for 1991 to accommodate reserve requirements. The Executive Director may allocate and transfer any fund balances in excess of the fund balances set out in this budget to reserves held for contingency or to reduce budget shortfalls in any other fund balances, provided monies so used are not restricted by law or regulation related to the funding source.

Section 13: The Executive Director is authorized to transfer monies for capital projects funded by Downtown tax increment to the Certificate of Participation (COP) fund to utilize COP interest earnings in compliance with the required use of this interest.

Section 14: As Riverview Plaza will not require the full \$2.5 million anticipated in 1990 for the future pay off of the mortgage, the Executive Director is authorized to prepay the First Interstate Bank loan in the amount of \$1.0 million in 1991 and to reallocate \$1.5 million of this funding as detailed in the 1992 Agency budget.

Section 15: The Executive Director is authorized to obtain flood insurance through the federal flood insurance program as required by HUD.

Section 16: The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 1992 Budget.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 17: This resolution shall take effect immediately.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

RESOLUTION NO. 91-038

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 1992

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

Section 1: The 1992 Budget totalling \$73,006,976 for operations, 1992 New Capital Improvements Budget totalling \$26,530,000 and prior year carryover of \$93,310,928 are approved as the Budget of the Housing Authority of the City of Sacramento for the 1992 calendar year.

Section 2: A total of 373.09 positions, an increase of .28 position are hereby approved subject to classification review by the Executive Director.

Section 3: The budgeted amount for any item in the 1992 Capital Improvement Budget may be amended by majority vote of the Governing Body of the entity 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 of the remaining entities.

Section 4: The Executive Director is authorized to submit the Annual Housing Operating Budgets and all supporting documents for 1992 to the United States Department of Housing and Urban Development (HUD), including all required amendments, for utilities and other miscellaneous adjustments.

Section 5: The proposed expenditures under the 1992 Housing Operating Budgets are necessary in the efficient and economical operation of the housing to serve low-income families.



FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 6: The housing financial plan is reasonable in that:

a. It indicates a source of funding adequate to cover all proposed expenditures.

b. It does not provide for use of federal funding in excess of amounts payable under the provisions of the pertinent regulations.

Section 7: All proposed rental charges and expenditures shall be consistent with provisions of law and the Annual Contributions Contract.

Section 8: The funding gap between federal sources and operating costs for the City Conventional Units shall be funded by tax increment funds from City redevelopment areas on a per unit of benefit basis, approximately as follows:

<u>Redevelopment Area</u>	<u>City Conventional Units</u>	<u>Amount</u>
Alkali Flat	92	\$ 62,000
Del Paso Heights	40	\$ 27,000
Oak Park	84	\$ 56,000
Downtown/Richards	<u>1,472</u>	<u>\$159,500</u>
	<u>1,688</u>	<u>\$304,500</u>

The expenditure of tax increment funds for such housing, in the manner specified, benefits the respective redevelopment areas in that the housing is in or adjacent to the respective redevelopment areas and provides housing for low-income families, which housing stock is currently inadequate.

Section 9: The Executive Director is authorized to enter into necessary contracts with HUD and other federal, state, and local granting agencies for programs contained with this Budget. Including, but not limited to the following:

Community/Social Services Grants:

<u>Grant</u>	<u>Budgeted Amount</u>
Senior Companion Title IIIB	\$ 61,903
Community Information Center Title III	\$ 48,253
Congregate Meals Title III	\$ 564,264
Congregate Meals US Dept of Agriculture	\$ 113,573
Home Delivered Meals Title III	\$ 339,030

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

Home Delivered Sacramento County Health	\$ 31,456
Congregate Meals US Dept of Agriculture	\$ 66,817
Senior Center Shuttle Title III	\$ 80,383
Sharers Allied In Living Title III	\$ 8,154
County School Crossing Guards	\$ 229,736
County Foster Grandparent Senior Senior Companion	\$ 95,727
County Health Dept. Grant Community Services (Adult Services)	\$ 35,000
County Welfare Dept. Grant Community Services (Community Info.)	\$ 96,999
Senior Companion Federal Action	\$ 60,994
Foster Grandparents Federal Action	\$ 149,416
Retired Senior Volunteer Federal Action	\$ 67,014
Senior Companion State SC92-93-02	\$ 73,406
Foster Grandparent State FG92-93-02	\$ 32,897
Child Development Federal Nutrition State Dept. of Education	\$ 27,000
State Dept. of Nutrition	\$ 2,800
SETA Senior Companion	\$ 19,000
U.S. Department of HUD for:	
Emergency Shelter Grant Program	\$ 199,000
Supportive Housing Demonstration Program	\$ 536,333
Transitional Housing Demonstration Program	\$ 91,072
Sacramento Employment and Training Agency Community Services Block Grant	\$ 30,000
Stewart B. McKinney Homeless Assistance Act Funds	\$ 85,381
JOB Title IIA Funds	\$ 45,485
California State Department of Housing and Community Development Emergency Shelter Program	\$ 200,000
Sacramento County Department of Social Services County General Funds	\$1,538,015
Sacramento County Administration and Finance Agency County General Funds	\$ 400,000
Sacramento County Health Alcohol Drug Program	\$ 416,504

Such amounts are estimates of grants to be applied for, approved and accepted in calendar year 1992 and for the 1992-93 fiscal years of the grantors. The Executive Director is delegated the authority to accept grants in amounts, or to amend the Authority budget for augmentations of individual grant amounts not to exceed an additional \$100,000

FOR CITY CLERK USE ONLY

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Section 16: The Executive Director is authorized to incorporate the changes listed on Exhibit A as part of the 1992 Budget.

Section 17: This resolution shall take effect immediately.

ATTEST:

CHAIR

SECRETARY

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

EXHIBIT A

SUMMARY OF CHANGES TO SACRAMENTO HOUSING
AND REDEVELOPMENT AGENCY PROPOSED 1992 BUDGET

Proposed 1992 Total Operating Budget:	\$73,006,976
1) Transfer \$40,715 from Richards Blvd. to City Conventional (replaces Downtown transfer of the same amount)	-----
2) Addition of \$15,000 for costs to evaluate the extension of the Del Paso Heights plan (To be funded from fund balance)	15,000
3) Transfer of \$15,000 for costs related to a property in Del Paso Heights mistakenly included in Oak Park's budget	-----
4) Transfer of \$3,000 for costs related to the flexible spending contract to Personnel from distributed overhead.	-----
5) Addition of \$24,000 to fund a position for a six month period for an individual working on a special assignment.	24,000
6) Transfers between various Housing funds to reflect changes in Housing Maintenance accounts.	-----
7) Addition of \$10,770 to fund a portion of the City's share of the City/County Commission on Hunger	<u>10,770</u>
Modified 1992 Operating Budget:	\$73,056,746

1992 AGENCY BUDGET
EXECUTIVE SUMMARY

EXPENDITURES

Operating Budget	
Employee Services	\$17,772,892
Services & Supplies	11,156,955
Equipment	295,109
Community Based Organizations	4,703,107
Debt Service	16,486,125
Financial Transactions/County Fees	646,283
Housing Assistance Payments	19,114,562
Loans & Grants	2,392,100
CDBG Contingency	338,657
Distributed Overhead	<u>101,186</u>
Total	\$73,006,976
Capital Improvement Projects	
Reallocating 1990 TAB funds	\$ 1,500,000
HUD - Development	17,100,000
CDBG	3,045,000
HOME	<u>4,885,000</u>
Total	\$26,530,000
Total 1992 Appropriations	\$99,536,976

FUNDING

Operating Funds	
Ongoing Revenues	\$71,771,440
Fund Balance	<u>1,235,536</u>
Total available operating funds	\$73,006,976
Capital Improvement Project Financing	
Reallocating 1990 TAB funds	\$ 1,500,000
HUD - Development	17,100,000
CDBG	3,045,000
HOME	<u>4,885,000</u>
Total of other revenues	\$26,530,000
Total 1992 Financing Resources	\$99,536,976

1992 CAPITAL PROJECTS CARRYOVER BALANCE SUMMARY

<u>Project Area</u>	<u>Carryover Balance</u>
Merged Downtown	\$ 49,234,275
Del Paso Heights	2,862,119
Alkali Flat	5,039,495
Oak Park	7,879,373
Richards Boulevard	668,398
Walnut Grove	18,439
North Sacramento Survey Area	250,907
South Sacramento Survey Area	312,672
Auburn Boulevard Survey Area	136,030
Community Development Block Grant Programs	7,074,822
HUD Development	4,869,905
Comprehensive Improvements Assistance Program	7,814,146
Acquisition & Rehabilitation	3,643,175
Loans Programs	2,073,040
Mortgage Revenue Bond	153,219
Energy Conservation Program	346,695
Homeless Housing	632,960
Riverview Plaza	203,015
Support Services	98,241
	<hr/>
Total Carryovers	\$ 93,310,928

ONE TIME ADJUSTMENTS

The 1992 Agency Budget is balanced using funds from prior year operations. Before the adjustments, the ongoing expenditures exceeds the ongoing revenues for operations by \$1,235,536. For the 1992 Budget, no new positions are requested and operational expenses have been reduced. During 1992, staff will be asked to reduce even further as employee costs have been reduced by 2 1/2% to reflect our historic employee vacancy factor along with other savings. The 1992 adjustments will be made from the following sources:

DESCRIPTION	AMOUNT
Payment from City for Garage Swap	\$300,000
Riverview Plaza commercial reimbursement	\$490,036
Neighborhood Redevelopment Areas	\$145,500
Housing Trust Fund planning costs	\$300,000

Staff recommends using these adjustments for 1992 as efforts continue to close the gap for future years.

When one looks at the total 1992 Agency Budget and new Capital Improvements Project Budget totalling \$99,433,790. It may seem simple to reduce cost by one to two percent, however, when one looks at the truly controllable costs, it would be extremely difficult to make additional reductions without significant impacts.

The following summarizes the 1992 Agency Operating Budget:

Operating Budget	
Employee Services	\$17,772,892*
Services & Supplies	11,156,955*
Equipment	295,109*
Community Based Organizations	4,703,107
Debt Service	16,486,125
Financial Transactions/County Fees	646,283
Housing Assistance Payments	19,114,562
Loans & Grants	2,392,100
CDBG Contingency	338,657
Distributed Overhead	<u>101,186</u>
Total	\$73,006,967

Of this total, only the asterisked items are potentially discretionary. Employee costs, services & supplies and equipment totals \$29,224,956. Even within services and supplies, over half of the expenses are not truly discretionary. Such items as senior volunteer stipends, insurance, utilities, garbage collections, grounds maintenance, maintenance services/supplies, food/food supplies, office space, postage/telephones, etc. cannot be eliminated.

It is also important to note that several financial and economic developments in 1991 have restricted our funding capacity. These developments are addressed below.

1. In early 1991, the Sacramento County Auditor-Controller informed the Agency that the telephone companies had received a favorable ruling in their litigation against the State Board of Equalization regarding alleged errors in the valuation of their property taxes. That ruling, which is currently being appealed, requires that tax refunds be paid to the telephone companies by 1996. The financial impact to the Agency is expected to be more than \$8,000,000. Part of the amount will be impounded by the County on an annual basis and the remainder must be set aside by the Agency by 1996.
2. In 1990, the State legislature enacted SB 2557, which enabled counties to charge local government jurisdictions for the cost of assessing, collecting and allocating property tax revenues on a prorated basis. The Agency's share is expected to be \$430,000 in 1992.

These 1991 developments will have nearly a million dollar impact during 1992 and will increase as the Agency attempts to reserve additional funds by 1996.

The use of Housing Trust Funds for planning purposes are proposed for the first time. In the past, the funds have been used for legal defense costs. The Housing Trust Fund ordinance is currently being challenged and litigated. The ordinance in question allows the City and the County to impose fees on commercial developers to help build affordable housing, based on the conclusion that commercial developments generate jobs and, therefore, attract workers who swamp the affordable housing market. The public would then bear the cost of rising housing prices.

Although the ordinance has withstood one appeal, we expect that further appeals will be initiated. Until the issue is resolved, our full utilization of these funds will continue to be restricted. However, given the success to date and anticipated successful defense of the litigation, staff is recommending that \$300,000 from the Housing Trust Funds be released and utilized in order to set up the system for selection of projects to be constructed under the ordinance, develop the first request for proposals and be prepared to expend these funds as quickly as possible once the legal issue is resolved.

Despite these difficulties, we anticipate some good news and additional revenues for the future. For example, staff anticipates CDBG 1992 entitlements to increase by 11%, the HOME program should provide \$4.883 million, CIAP funding is changing from an annual allocation to an entitlement process, downtown tax increments is expected to increase at greater than a 10% rate for the next two years as several major buildings are completed, and the conventional housing's performance funding system is being modified which may be beneficial to the Agency. Even given these factors, however, staff believes that it is wise to keep intact the present staffing pattern.

COMMUNITY/SOCIAL SERVICES DEPARTMENT
LONG-TERM FINANCIAL OUTLOOK

The Community/Social Services Department is funded by a wide range of sources. Unfortunately, the primary funding sources for the Elderly Nutrition Program, Child Development Program, Senior Programs, Community Information and Alternative Housing Services, Homeless and Homeless Employment Services have not kept pace with the cost of operating these programs. Historically, the Agency has committed local discretionary sources to close the funding gap for these programs. For 1992, the Agency's local discretionary funds that will contribute to the funding of these programs are PILOT (payment in lieu of taxes for public housing), Riverview Plaza's contributions to Gateway services, tax increments for the homeless programs, the City's contribution based on the garage swap and CDBG public service entitlements.

During the last year, the Department has been extremely aggressive in seeking additional funds to support its programs. This is evident by the success of the homeless program in obtaining the supportive housing demonstration program funding and the significant increase in County funding during the 1990-91 fiscal year. In addition, the staff has gone beyond its traditional scope in hopes of increasing funding as illustrated by the willingness to take on the school crossing guard program. Unfortunately, because of the fiscal problems experienced by the federal, state and county governments for fiscal year 1991-92, funding has remain unchanged or has increased very little from these primary funding agencies.

Long term financing of the Community/Social Service Department is a major concern. The City's and Riverview Plaza's contribution will terminate in 1995. The public service portion of the CDBG entitlement is at the maximum 15% allowed, consequently the share can only increase if the entitlement increases.

The financing problems for the Department are not new. They have been concerns for many years. Fortunately, we have been able to identify local resources in the past. However, with each passing year, the balancing act becomes more difficult. As we approach 1992 and beyond, staff will be considering various alternatives, as described below:

- (1) Reduce staff and reduce the level of service.
- (2) Continue to seek additional funding.
- (3) Work with the County Human Services Cabinet to reorganize and to provide better integrated services with the available funds.
- (4) Develop an aggressive fund development program.

- (5) Eliminate the program(s) which have the greatest funding shortfall.
- (6) Review alternative service provision methods.

Although some undesirable options are identified, staff is committed to keeping all programs operational as long as economically possible. We are aware of the needs within the community and the desire for additional services. With this in mind, staff will continue to seek ways to keep the programs successful.

SIGNIFICANT DEVELOPMENTS IN 1991

Affordable Housing

- * Adopted a revised Fair Share Plan for the City and County of Sacramento
- * Developed the Comprehensive Housing Assistance Strategy for the City and County of Sacramento
- * Adopted the Inclusionary Housing Policy for the City of Sacramento
- * Developed and presented Mather AFB housing proposals
- * Received a favorable judgement in the U. S. Ninth Circuit Court of Appeals in our defense of the implementation of the City's Housing Trust Fund Ordinance
- * Formed the Home Loan Counseling Center
- * Issued a \$60.3 million single family bond issue to assist approximately 547 homebuyers
- * Provided a \$250,000 local leveraging loan for Taylor Terrace, a 176-unit project seeking State Proposition 84 funding
- * Provided a \$250,000 local leveraging loan to the apartment complex located at 2501 L Street, a 44-unit family project being developed by Rural California Housing Corporation and Mercy Housing Corporation
- * Provided a \$156,335 local leveraging loan for Norwood Estates, a 44-unit family project being developed for the Mutual Housing Association
- * Provided a \$204,822 Rental Rehabilitation loan for 5250 Young Street, a 42-unit boarded-up project being acquired and rehabilitated by a for-profit developer
- * Provided \$1,338,214 in Rental Rehabilitation and 312 Program loans to 40 projects, including 5250 Young Street, for the rehabilitation of 317 units
- * Provided \$559,335 in Single Family Home Rehabilitation Program loans in the City and County of Sacramento
- * Provided \$270,451 in Emergency Repairs Program grants to 198 very low income homeowners in the City and County of Sacramento

- * Assisted more than 600 senior homeowners in performing minor repairs through the Home Assistance and Repair Program for Seniors
- * Provided a \$200,000 non-profit predevelopment loan for Evergreen Apartments, a 56-unit boarded-up project on Norwood Avenue, being acquired and rehabilitated by the Mutual Housing Association
- * Provided a \$200,000 non-profit predevelopment loan for Village Parks Apartments, a 50-unit project on Norwood Avenue, being acquired and rehabilitated by the Rural California Housing Corporation
- * Agreed to development terms for "5th & T Street", a 25-unit project being developed by the River City Cohousing Corporation on land to be sold by the Agency
- * Developed the concept for the Consolidated Social Services Complex to be located in the Richards Boulevard area
- * Expanded the capacity of the winter shelters for homeless individuals and families by an additional 100 beds
- * Expanded the capacity of our "Readiness" transitional housing program for homeless individuals by more than 150% to 40 units
- * Implemented a new Scattered Site Single Family Public Housing Management Program
- * Managed the design and construction of six low-income public housing projects consisting of 96 units
- * Managed the design and construction of 100 units in connection with the Public Housing Acquisition & Rehabilitation Program
- * Was awarded \$1,523,000 in Family Housing Demonstration Program funding from the California Department of Housing and Community Development
- * Was awarded \$200,000 in Homeless Emergency Shelter funding from the California Department of Housing and Community Development
- * Was awarded \$1,400,000 in Transitional Housing Program funding from the U. S. Department of Housing and Urban Development to house and assist homeless families
- * Received a \$55 million Mortgage Credit Certificate allocation to assist 500 homebuyers
- * Was awarded funding for 200 new units of public housing for the City and County of Sacramento

- * Was awarded \$500,000 in funding from the California Housing Rehabilitation Program for Ownership for the City and County of Sacramento
- * Acquired eight properties in the Southside Park area for subsequent sale and development
- * Acquired the 49th & Folsom Boulevard site for future development of low income housing

Neighborhood Revitalization/Stabilization

- * Adopted new proposed redevelopment areas in North Sacramento, South Sacramento, and Auburn Boulevard
- * Developed the application for and was awarded CDBG funding in the amount of \$3,805,000 for the City of Sacramento and \$4,859,000 for the County of Sacramento
- * Adopted new Five-Year Revitalization Strategies for Alkali Flat and Oak Park, and update the 1989 Del Paso Heights Revitalization Strategy
- * Developed the pilot Neighborhood Conservation Program
- * Provided construction oversight for the 1111 G Street project in Alkali Flat, Netta Sparks Senior Center in Oak Park, and numerous facade grant construction loans
- * Constructed eight "Self Help" single family homes with the cooperation of the Rural California Housing Corporation in Oak Park
- * Began construction of the \$2.1 million Salvation Army Recreation Center at 2550 Alhambra
- * Completed agreements for the construction of eight single-family homes as infill housing in Oak Park
- * Assisted Habitat for Humanity in the construction of a new home at 3953 3rd Avenue
- * Assisted Neighborhood Housing Services in the relocation and renovation of a home at 4432 7th Avenue.
- * Completed the construction of a public parking lot at 35th and 4th Avenues in Oak Park
- * Initiated the process to acquire properties along Broadway as commercial development sites
- * Renovated the historic building located at 517 12th Street

- * Rehabilitated the historic structure at 502 10th Street to accommodate 11 residential apartments
- * Relocated three downtown historic buildings threatened with demolition within Alkali Flat
- * Developed the Southside Park Rehabilitation Program
- * Implemented a Pilot Police Protection Program and installed speed bumps to increase security at the River Oaks public housing development
- * Initiated the Norwood Family Housing Demonstration Program Demonstration Project, an Agency-owned 28-unit project which includes a child care facility
- * Initiated selection process for services of a revitalization coordinator for Del Paso Boulevard
- * Initiated the "Reaching New Heights", a community revitalization program in Del Paso Heights
- * Initiated security measures at the Meadowview Apartments, which included fencing and lighting
- * Targeted Neighborhood Conservation Program efforts to Detroit Boulevard in the Meadowview area
- * Completed South Parker Homes street lighting improvements and Ivy/South Avenue infrastructure design in East Del Heights
- * Acquired property for the Stanford Settlement Senior Center, completed the designs for the Johnston Community Center/Noralto Park and the Grove Avenue street improvements, and completed construction of the bus shelter on West El Camino in the Gardenland/Noralto area
- * Completed the M Street infrastructure improvements and 6th Street infrastructure designs in Rio Linda
- * Completed the Fire Station Relocation Study and Community Center expansion bid award in Isleton
- * Completed the Brown's Alley drainage design and the Dr. Paul Barnes Park improvements design in Walnut Grove
- * Completed the 9th Street closure design in Hood
- * Completed the process to acquire rescue equipment in Courtland
- * Completed the Sampson/Lemon Hill street improvements, Fruitridge Aquatic Center construction, El Cerrito drainage design, and Southwest Avenue street improvements design in South Sacramento
- * Completed the Galt Library facility design

Downtown/Economic Development

- * Developed the Central City Housing Strategy
- * Approved an SRO Preservation Ordinance
- * Approved SRO Rehabilitation Program guidelines
- * Issued a \$2,000,000 Notice of Funding Availability to assist in the acquisition and/or rehabilitation of existing SROs
- * Completed preliminary design work for the rehabilitation of the Shasta and Argus Hotels
- * Initiated the Downtown Streetscape Study and Shuttle Study
- * Issued the Request for Funding Proposal for the development of Metropolitan Place
- * Expanded the number of commercial revitalization targeted areas from seven to ten
- * Development of a Land Use and Circulation Plan, a Housing Strategy, and a Phasing and Financing Plan for the Public Facilities and Infrastructure for the Richards Boulevard Redevelopment Project Area
- * Completed oversight of the construction of the Central Library expansion project.
- * Revised Structure of Downtown Cultural and Entertainment District
- * Continued the monitoring of the Stagen Project
- * Negotiated initial street improvements for Plaza Park
- * Completed landscaping of Lil People's Child Care play area

Tenant Economic Opportunity

- * Initiated a job training, career assessment, and employment placement program at our public housing developments of Dos Rios, New Helvetia, River Oaks and Kennedy Estates
- * Expanded the Headstart Program at New Helvetia and River Oaks to serve children and families
- * Developed policies to strengthen the role of resident committees in the management of our public housing developments

- * Implemented of the Enterprise Zone Employment System to coordinate the employment training and placement efforts of the Agency, the Sacramento Employment and Training Agency (SETA), the Employment Development Department of the State of California, and community based organizations in Enterprise Zones in the City and County of Sacramento
- * Implemented Operation Bootstrap, a self-sufficiency program for very low income families incorporating education, employment training and placement, social services, and Section 8 housing assistance.
- * Implemented a pilot entrepreneurial project for the homeless
- * Implemented a mobile job skills assessment unit serving public housing residents
- * Provided more than 1,000 jobs to homeless individuals residing in City and County shelters
- * Coordinated a Job Fair for public housing residents and Homeless Awareness Week for the community at large

ONE TIME FUNDING ITEMS

<u>ITEM</u>	<u>\$ AMOUNT</u>	<u>PURPOSE</u>
Small Business Investment Corporation	75,000	Consultant contract to form a non-profit Small Business Investment Corp. which offers business financing in commercial revitalization and Enterprise Zone areas
HUD Opt-outs Preservation Study	15,000	Consultant contract to develop strategy to preserve HUD Opt-outs
Playground Enhancements	35,097	Upgrade of playground equipment at "tot lots" in public housing developments
Affordable Housing Study	35,000	Consultant services related to the issuance of General Obligation bonds, the creation of lenders consortium, and the possible relocation of mobile home parks resulting from commercial developments
Non-Profit Housing Development Corp. Study	15,000	Consultant contract for legal services to study the most effective way to set up a non-profit corporation for housing projects
Richards Blvd. Land Use Plan	100,000*	Consultant contract to study legal, housing and finance issues needed to adopt Richards Blvd. Land Use Plan
Development/Economic Agreement	110,000*	Consultant contract to compose the development agreement to accompany Richards Blvd. Land Use Plan

Environmental Study	75,000*	Augmentation of existing consultant contract to complete Richards Blvd. EIR document
Environmental Coordination	15,000*	Augmentation of existing consultant contract for services related to management of the environmental process
Engineering Services	60,000*	Consultant contract for engineering of Richards Blvd. infrastructure improvements, assessment districts, right of ways, etc.
Homeless Modular Units	153,000	Payoff of debt service for homeless modular shelters
Asbestos Removal	10,000	Removal of asbestos from Agency owned structure prior to demolition (Sun Sen in Richards Blvd.)
Police Patrols	185,000	Funding police patrols at public housing developments of River Oaks and New Helvetia
Crocker Art Museum	270,000	Architectural/design consultant contract to update master plan for final phase of Crocker Art Museum expansion
Urban Design/Public Places Design Guidelines -- Downtown	50,000	Conversion of Urban Design Guidelines to Ordinance Format and Related Implementation Program
Agency Portion of Downtown Housing Strategy Rezoning Study	57,000	Agency share of cost of rezoning outlined in Downtown Housing Strategy
Contingency	239,903	Available resources to meet unexpected capital project needs
TOTAL	\$1,500,000	

- * These items are part of the overall cost sharing plan for the development of the Richards Boulevard/Southern Pacific redevelopment plan between the City, the Agency, and the Southern Pacific Transportation Company. To date, Southern Pacific has reimbursed the City and the Agency for costs incurred in the amount of \$1,316,242. The Agency has contributed a total \$118,000 to this project.

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**SUMMARY OF CHANGES TO SACRAMENTO HOUSING
AND REDEVELOPMENT AGENCY PROPOSED 1992 BUDGET**

Proposed 1992 Total Operating Budget:	\$73,006,976
1) Transfer \$40,715 from Richards Blvd. to City Conventional (replaces Downtown transfer of the same amount)	-----
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3) Transfer of \$15,000 for costs related to a property in Del Paso Heights mistakenly included in Oak Park's budget	-----
4) Transfer of \$3,000 for costs related to the flexible spending contract to Personnel from distributed overhead.	-----
5) Addition of \$24,000 to fund a position for a six month period for an individual working on a special assignment.	24,000
6) Transfers between various Housing funds to reflect changes in Housing Maintenance accounts.	-----
Modified 1992 Operating Budget:	\$73,045,976