SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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June 14, 1989

APPROVED
BY THE CITY COUNCIL

JUN 27 1989

OFFICE OF THE
CITY CLERK

APPROVED
JUN 2 1989
SACRAMENTO HOUSING AUTHORITY
CITY OF SACRAMENTO

City Council of the
City of Sacramento
Sacramento, California
and
Housing Authority of the
City of Sacramento
Sacramento, California

SUBJECT: Application to the Department of Housing and Urban Development (DHUD) for Public Housing Project

SUMMARY

This report recommends approval of an application to the Department of Housing and Urban Development (DHUD) for funds for fifty (50) public housing units for large families. The project is to be accomplished through new construction.

BACKGROUND

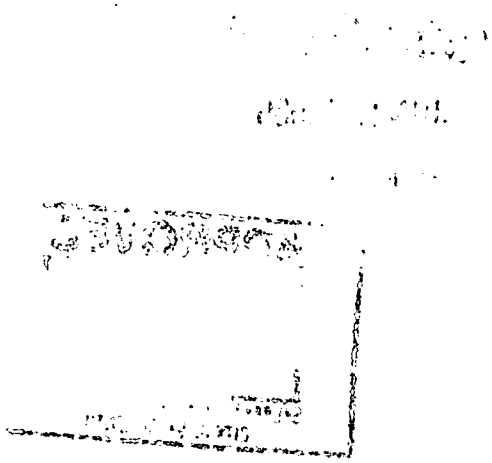
On April 29, 1989, you approved resolutions authorizing submittal of an application to HUD for fifty (50) units of public housing to be accomplished through acquisition and rehabilitation of existing units. This was in response to the priorities set by HUD in their March 7, 1989 Notice of Funding Available.

We recently were informed by the Field Office of Hud that they could not recommend approval of our acquisition and rehabilitation application, despite the priority placed on this approach by the Notice. Their perception is that there are an insufficient number of acceptable units on the market in appropriate locations and within the approximately $63,000 price allowed. We were advised, however, that the Field Office would accept an application for new construction. Accordingly, the attached application has been prepared for your consideration and submittal to HUD.

It is proposed that projects be dispersed in accord with the previously adopted fair share allocation goals and to meet HUD's project selection criteria (minimize impaction, provide opportunities for minorities outside of areas of minority

6-27-89
All District

MAILING ADDRESS: P.O. Box 1834, Sacramento, CA 95812-1834
OFFICE LOCATION: 630 I Street, Sacramento, CA 95814 (916) 444-9210



impaction and to provide improved locational opportunities for lower income families). Accordingly we are proposing four sites of 12 to 13 units each. We will report back with recommended sites at a later date should the application be approved.

FINANCIAL DATA

Total development costs allowed by HUD for 50 three bedroom units is $3,147,500, or $62,950 per unit. Costs will be paid by HUD through a grant.

Based on previous experience, it is unlikely that units can be built for this amount to the quality and amenity standards previously demanded by the County and the Communities in which they would be located. Additionally, efforts to locate units in accord with the adopted Fair Share Plan will result in increased overall costs per unit.

Based on recent experience, $10,000 to $15,000 per unit of local funds will be necessary to accomplish the project. A specific financial program for this local contribution will be developed for consideration if and when one or more awards is received.

A "front-end" ACC will also be requested for anticipated planning and coordination expenses in connection with the dispersal concept. The amount of the "front-end" ACC will be based on a formula established by HUD.

ENVIRONMENTAL IMPACT

CEQA: Not a project per Section 15378(b)(3)
NEPA: NEPA review for Public Housing Projects is performed by HUD.

Any subsequent actions to acquire sites and construct housing will be subject to further environmental review when specific sites are identified.

POLICY IMPLICATIONS

This proposal is consistent with existing Agency policy and no policy changes are proposed.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of June 19, 1989, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Moose, Simon, Simpson, Strong, Wooley, Yew, Siggins

NOES: None
NOT PRESENT TO VOTE: Sheldon
ABSENT: Amundson, Pernell

RECOMMENDATION

The staff recommends that you adopt the attached resolutions: (1) expressing support of the Proposed Public Housing Projects and authorizing signature by the Acting Executive Director; (2) approving a request for a preliminary loan for surveys and planning and; (3) authorizing submittal of the applications by the Acting Executive Director of SHRA for fifty (50) units of public housing to be accomplished through new construction.

Respectfully submitted,

ANDREW J. PLESCIA
Acting Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: John Molloy - 440-1357

2165D

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RESOLUTION NO. 89-023

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____

APPROVED
JUN 2 1 1989
SACRAMENTO HOUSING AUTHORITY
CITY OF SACRAMENTO

RESOLUTION IN SUPPORT OF PUBLIC HOUSING PROJECT

WHEREAS, the United States Housing Act of 1937 provides that there shall be local determination of the need for public housing to meet needs not being adequately met by private enterprise; and

WHEREAS, under the provisions of the United States Housing Act of 1937, the Department of Housing and Urban Development (DHUD) is authorized to provide financial assistance to public housing agencies for such housing; now, therefore,

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO (PHA):

Section 1: Determination of Need. The PHA hereby determines that within its area of operation there is a need for low-income housing to meet needs not being adequately met by private enterprise.

Section 2: Application and/or Proposal for Housing Assistance. The Acting Executive Director of the PHA is hereby authorized to have prepared one or more applications and/or proposals for public housing assistance for development of up to fifty (50) dwelling units each; to sign said applications and/or proposals on behalf of the PHA and to submit them to DHUD. Such applications shall be for new construction only.

Section 3: Annual Contributions Contract (ACC). When an ACC if forwarded by DHUD to the PHA for execution by PHA, the Acting Executive Director is hereby authorized to execute such ACC on behalf of the PHA; and the Secretary is hereby authorized to impress and attest the official PHA seal on each ACC counterpart and submit to DHUD executed counterparts and related documents as required by DHUD.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 4: General Depositary Agreement. The Acting Executive Director is hereby authorized to execute on behalf of the PHA a General Depositary Agreement(s) and/or Savings Depositary Agreement(s) each in the form approved by DHUD; and the Secretary is hereby authorized to impress and attest the official PHA seal on each counterpart and submit to DHUD executed counterparts and related documents as required by DHUD.

Section 5: Funding for Project Development Cost.

(a) In order to fund the development cost of housing projects pursuant to this Resolution or any other Resolution as may be required by HUD, the PHA hereby authorizes the issuance of obligations in its name at such times, in such amounts, and on such terms and conditions as DHUD may direct or approve in accordance with the ACC.

(b) The Acting Executive Director is hereby authorized to prepare and execute such PHA obligations; and the Secretary is hereby authorized to impress and attest the official PHA seal, deliver the obligations to HUD or such other lenders as HUD may direct, and accept payment therefor or cause payment to be made as directed or approved by HUD in accordance with the ACC.

(c) Each such PHA obligation shall be secured in such manner as may be provided and/or required by DHUD in accordance with the ACC. All proceeds from such PHA obligations shall be deposited and used only as approved by HUD in accordance with the ACC.

Section 6: HUD Regulations. In connection with the development and operation of any program or activity receiving federal financial assistance under the United States Housing Act of 1937, the PHA will comply with all requirements under the applicable regulations or the Department of Housing and Urban Development, 24 CFR 841 or 24 CFR 805, as appropriate, and all DHUD regulations relating to the operation of public housing projects.

Section 7: Meaning of Terms. All terms used in this resolution which are defined in the ACC shall have the meanings given to them in the ACC.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 8: Minority Housing Opportunities. The project will be located so that, within the housing market area, it will provide opportunities for minorities for housing outside existing areas of minority concentration and outside areas which are already racially mixed.

Section 9: Location for Lower-Income Families. The project will be located in a section that contains little or no federally-subsidized housing and (a) the proposed project is, or will be by the occupancy date or very shortly thereafter, accessible to social, recreational, educational, commercial and health facilities and services, and other municipal services that are equivalent to or better than those typically found in neighborhoods consisting largely of standard, unsubsidized housing of a similar market value, and (b) travel time and cost via public transportation or private auto from the neighborhood to employment providing a range of jobs for low(er) income workers is considered excellent for such families in the metropolitan area or town.

Section 10: Orderly Growth and Development. The project will be consistent with the housing element of a local, officially-approved land use or other development plan which is consistent with metropolitan or regional plans.

Section 11: Physical Environment. The proposed project will embody outstanding land use planning and excellent architectural treatment, be free from adverse environmental conditions, natural or man-made, such as instability, flooding, septic tank back-ups, sewage hazards, or mud slide; harmful air pollution, smoke or dust; excessive noise, vibration, or vehicular traffic; unsanitary rodent or vermin infestations; or dangerous fire hazards, and will not, considering both long-term and short term effects, impact or impair ecologically valuable or significant natural areas, such as wildlife areas, ground water or surface water areas, and parklands, or significant historical or archeological areas.

Section 12: The PHA shall pursuant to 24 CFR 24.630, implement the Drug-Fee Work Place Act of 1988. Such implementation shall include all the requirements of Appendix five of HUD Notice PIH 89-6 issued February 10, 1989.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 13: Effective Date. This resolution shall take effect immediately.

_____
CHAIR

ATTEST:

_____
ASSISTANT SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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RESOLUTION NO. 89-514

ADOPTED BY THE SACRAMENTO CITY COUNCIL

APPROVED BY THE CITY COUNCIL

ON DATE OF _____

JUN 27 1989

OFFICE OF THE CITY CLERK

RESOLUTION APPROVING APPLICATION FOR
PRELIMINARY LOAN FOR LOW-RENT PUBLIC HOUSING

WHEREAS, it is the policy of this locality to eliminate substandard and other inadequate housing, to prevent the spread of slums and blight, and to realize as soon as feasible the goal of a decent home in a suitable living environment for all of its citizens; and

WHEREAS, under the provisions of the United States Housing Act of 1937, as amended, the United States of America, acting through the Secretary of Housing and Urban Development (herein called the "Government"), is authorized to provide financial assistance to local public housing agencies for undertaking and carrying out preliminary planning of low-rent housing projects that will assist in meeting this goal; and

WHEREAS, the Act provides that there shall be local determination of need for low-rent housing to meet needs not being adequately met by private enterprise and that the Government shall not make any contract with a public housing agency for preliminary loans for surveys and planning in respect to any low-rent housing project unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and

WHEREAS, the Housing Authority of the City of Sacramento (herein called the "Local Authority") is a public housing agency and is applying to the Government for a preliminary loan to cover the costs of surveys and planning in connection with the development of low-rent housing; now, therefore,

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

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 1: That there exists in the City of Sacramento a need for such low-rent housing which is not being met by private enterprise.

Section 2: That the applications of the Local Authority to the Department of Housing and Urban Development for a preliminary loan in an amount not to exceed one percent (1%) of the cost of development for surveys and planning in connection with low-rent housing projects of not to exceed approximately fifty (50) dwelling units, is hereby approved.

_____
MAYOR

ATTEST:

_____
CITY CLERK

1100WPP2(308)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

OMB No. 63-R 1569

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
HOUSING - FEDERAL HOUSING COMMISSIONER
PUBLIC HOUSING PROGRAM

APPLICATION FOR A PUBLIC HOUSING PROJECT

This application form is to be used in accordance with the Public Housing Development Regulation (24CFR 841) and Handbook (7417.1-Rev. 1). A separate application is required for each community, project, housing type and development method.

HUD USE ONLY

PROJECT NUMBER [ ][ ][ ][ ] [P] [ ][ ][ ] [ ][ ][ ][ ]

Allocation Area: ☐ METRO AREA ☐ NONMETRO AREA

FIELD OFFICE PRIORITY RATING
☐ EXCELLENT ☐ VERY GOOD ☐ GOOD
Number of criteria in that priority group [ ]

SECTION A. PHA DATA

1. NAME OF PHA: Housing Authority of the City of Sacramento

2. ADDRESS OF PHA: 630 I Street, Sacramento, CA 95814

3. PHA area of jurisdiction (a) ☒ includes (b) ☐ does not include the community for which public housing development assistance is being requested. If not, explain:

4. Date of HUD letter approving the PHA organization documents: See Attached A-4

5. A current General Certificate is required and: (a) ☒ is attached (b) ☐ was submitted. A-5

6. The required PHA resolution authorizing submission of this application ☒ is attached.

SECTION B. COOPERATION AGREEMENT

1. Name of Local Governing Body1/: Sacramento City Council

2. Date of Agreement or amendment applicable to proposed project: June 5, 1979

3. Total number of units authorized by this Agreement: 890

a. Number of previously committed units: 344
b. Number of uncommitted units *(Item 3 minus 3a)*2/: 546

1/ If a cooperation agreement with more than one entity is required, Section B information must be provided for each such agreement.
2/ This remaining balance must equal or exceed the number of units applied for in this and any other applications, including pipeline applications being retained by HUD.

SECTION C. COMMUNITY/PROJECT LOCATION DATA

1. COMMUNITY	2. COUNTY OR OTHER SIMILAR AREA	3. CONGRESSIONAL DISTRICT(S)	4. CENSUS TRACTS(S)/ ENUMERATION DISTRICT(S)
City of Sacramento	Sacramento	3/4	Entire City

5. Types of structures common in the community:
(a) ☒ Detached (b) ☒ Semi-detached (c) ☒ Row/Town House (d) ☒ Walk-up Apartments (e) ☒ Elevator Apartments

6. The community (a) ☐ is (b) ☒ is not within the jurisdiction of a HUD-approved Area wide Housing Opportunity Plan (AHOP).

7. The community (a) ☒ has (b) ☐ does not have a HUD-approved Housing Assistance Plan (HAP).

8. The proposed project conforms to the three-year HAP goals (a) ☐ N.A. (b) ☒ by housing type (1) ☒ Yes (2) ☐ No and (c) ☐ by household type (1) ☒ Yes (2) ☐ No. If no, explain:

See 213 Letter Attached C-8

9. In non-HAP communities, is the need for this project identified in any State, regional, or local housing surveys or plans?
(a) ☐ Yes (b) ☐ No Elaborate:

Not Applicable

10. There are suitable sites for the proposed project for which appropriate and adequate facilities and services are available.
(a) ☒ Yes (b) ☐ No. If no, explain:

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SECTION D. PROJECT DATA

1. HOUSING TYPE AND DEVELOPMENT METHOD	TURNKEY (1)	CONVENTIONAL (2)	ACQUISITION (3)
a. New Construction		50	
b. Rehabilitation			
c. Existing			

2. Congregate or other special use housing (a) ☐ is (b) ☒ is not proposed.
If "Yes," specify use(s) and number of units:

3. Dwelling Units by Household Type and Structure Type. As appropriate, enter the number of dwelling units (DU's) proposed for this project by number of bedrooms, structure type and household type:

LINE NO.	COL. 1 STRUCTURE TYPE 1/	COL. 2 NO. OF BUILDINGS	COL. 3 TOTAL D.U.'s			COL. 4 NUMBER OF FAMILY AND LARGE FAMILY D.U.'s						COL. 5 NUMBER OF ELDERLY D.U.'s		
			(a) TOTAL	(b) FAMILY	(c) ELDERLY	(a) 1-BR	(b) 2-BR	(c) 3-BR	(d) 4-BR	(e) 5-BR	(f) 6-BR	(a) EFFIC.	(b) 1-BR	(c) 2-BR
1	D													
2	SD													
3	R	4	50	50				50						
4	W													
5	E 2/													
6	TOTALS	4	50	50				50						
7	No. in Line 6 for handicapped		7	7				7						

1/ STRUCTURE TYPES ARE: D - Detached; SD - Semi-Detached; R - Row or Townhouse; W - Walk-up; and E - Elevator

2/ Justification required for elevator structure ☐ is attached.

SECTION E. DEMONSTRATION OF NEED FOR ACC FUNDS TO PREPARE PHA PROPOSAL

1. Execution of an Annual Contributions Contract (ACC) is requested to provide front-end planning funds (a) ☒ Yes (b) ☐ No

2. If "Yes," identify the applicable reason(s) below:

☐ (a) This is a newly established or small PHA proposing to develop housing in a "non-entitlement" CDBG community.

☒ (b) A scattered site project is proposed and coordination problems are anticipated.

☐ (c) Unless front-end planning funds are provided, this PHA would be precluded from participating in the program for the reasons which are detailed below or in the attached justification:

SECTION F. TENANT SELECTION

1. Explain how your PHA has selected *(or will select)* tenants whose habits or practices may reasonably be expected to have a positive effect on the project or other tenants.

See Attached F-1

2. Explain how your PHA has selected *(or will select)* tenants representing a broad range *(cross-section)* of incomes and rent paying ability of lower income families in the community.

See Attached F-2

3. Explain any special outreach efforts underway *(or planned)* to attract applicants representing a cross-section of incomes and the actual *(or probable)* effect of such outreach efforts on your public housing waiting list.

See Attached F-3

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SECTION G. MANAGEMENT CAPABILITY

1. Is this the PHA's first public housing project? (a) ☐ Yes (b) ☒ No. If "Yes," submit a proposed administrative and staffing plan demonstrating both development and management capability and proceed directly to Section I.

2. Indicate the number of public housing projects and units under management; i.e., End of Initial Operating Period (EIOP) achieved: (a) 31 projects (b) 2187 units. (1/13/88)

3. Were there adverse findings as a result of any HUD public housing management review, engineering survey or occupancy or fiscal audit in the past four years? (a) ☒ Yes (b) ☐ No. If "Yes," identify any correspondence or document, within the preceding 12 months, which states the changes or improvements made as a result of each finding or explain those changes or improvements:

The finding related to an occupancy review is presently being finalized for response.

4. During the last Federal fiscal year, were there any public housing projects for which occupancy averaged less than 95%? (a) ☒ Yes (b) ☐ No. If "Yes," identify each project, state the percentage of occupancy and explain the circumstances:

See attached for updated information.

5. As of the end of the month preceding the date of this application, did any project have an amount of tenants' accounts receivable for tenants in possession in excess of 10% of the amount of rent and other charges to tenants during the months? (a) ☒ Yes (b) ☐ No. If "Yes," state the percentage applicable to the project, the reasons for the excess, and the corrective actions being taken:

See attached for updated information.

SECTION H. DEVELOPMENT CAPABILITY

1. Indicate the number of public housing projects and units currently:

	NO. OF PROJECTS (1)	NO. OF UNITS (2)
(a) Under Construction	None	None
(b) In Pre-construction Processing	5	50

2. Projects under construction or in pre-construction processing (a) ☒ are all on schedule (b) ☐ are not all on schedule. If any are behind schedule, identify them and explain why:

SECTION I. PROPOSED PROJECT SCHEDULE

Schedule each processing step for the proposed project in the "PHA estimate" column below by entering the estimated number of calendar days required.

PROCESSING STEPS		NUMBER OF CALENDAR DAYS: PHA ESTIMATE (1)	NUMBER OF CALENDAR DAYS: HUD USE (2)
1. PHA Proposal	(a) PHA Submission	June 12, 1989	
	(b) HUD Decision	60	60
2. Site Documents	(a) PHA Submission	60	
	(b) HUD Decision	25	25
3. Design Documents	(a) PHA Submission	150	
	(b) HUD Decision	45	45
4. Construction Documents	(a) PHA Submission	45	
	(b) HUD Decision	45	45
5. Contract Documents	(a) PHA Submission	90	
	(b) HUD Decision	15	15
6. Construction Start		20	
7. Construction Completion or Acquisition		310	
8. TOTAL		855	

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SECTION J. LOCAL PRIORITIES

Indicate if this proposed project would contribute to any of the following local priorities or special housing needs and explain as applicable:

1. Disaster Housing: (a) ☐ Yes (b) ☒ No. Identify the Federally declared disaster area, the estimated number of income-eligible households affected by the disaster, and the extent that other Federal, State, or local funds are being used.

2. Relocation Housing. (a) ☐ Yes (b) ☒ No. Identify the cause for the displacement *(e.g., CDBG or Federal Highway Programs)* and the estimated number of *displaced income-eligible* households.

3. Local Support. (a) ☒ Yes (b) ☐ No. Indicate to what extent the proposed project would complement or be supported by State or local assistance, contributions, donations, loans or grants, or by other HUD or other Federal agency programs.

See attached J-3

4. Urban Revitalization. (a) ☐ Yes (b) ☒ No. Identify any local commitment to neighborhood preservation and renewal strategies, the scope of the local program, and the availability of housing stock suitable for rehabilitation. Relate the project to these efforts.

5. Scattered-Site Housing. (a) ☒ Yes (b) ☐ No. Indicate whether the housing proposed for families with children will be developed on scattered sites to provide expanded housing opportunities. If the PHA proposes to acquire scattered-site existing housing which requires only minor repairs, demonstrate that an adequate number of suitable housing units are being offered for sale within the general price range that may be approved under the public housing program.

See attached J-5

SECTION K. MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES

State the PHA's plan, including experience, for employing *(directly or indirectly)* minority and women-owned business enterprises in the development and operation of public housing.

See attached K

SECTION L. SIGNATURE

The information contained herein and in any attachments is true and correct to the best knowledge of the PHA.

TYPED NAME AND TITLE OF AUTHORIZED PHA OFFICIAL	SIGNATURE	DATE
ANDREW J. PLESCIA Acting Executive D		