

**APPROVED**  
**BOARD OF DIRECTORS**  
 By Resolution RA-0873, RA-0874 COUNTY OF SACRAMENTO  
 and HR-2304  
**CALIFORNIA**

FEB 24 2009

By Cyndi Lee  
 Clerk of the Board

**APPROVED**  
 BY RESOLUTION # 2009-0104, 2009-0105  
**BOARD OF SUPERVISORS**  
 2009-0104

FEB 24 2009  
 By Cyndi Lee  
 Clerk of the Board

For the Agenda of:  
 February 24, 2009  
 10:15 am

To: Board of Supervisors, Housing Authority, and Redevelopment Agency of the County of Sacramento

From: Sacramento Housing and Redevelopment Agency

Subject: Implementation Of Neighborhood Stabilization Program; Amendments To The 2009 One-Year Action Plan And SHRA Budget

Supervisory District: Targeted County Areas

Contact: Lisa Bates, Deputy Executive Director, 440-1319  
 Chris Pahule, Assistant Director, 440-1350

#### Overview

In October 2008, the Board of Supervisors approved the \$18 million Neighborhood Stabilization Program (NSP) to target areas that are most severely impacted by foreclosures and in weaker housing markets that are not as readily able to recover without assistance (Attachment I). The NSP outlined several new programs that shared similar goals which were: return vacant foreclosed or abandoned residential properties to occupancy as quickly as possible; revitalize neighborhoods through strategic redevelopment, rehabilitation, and reuse of vacant properties; and provide affordable homeownership and improved affordable rental opportunities to Sacramento families. Since October, staff has submitted for and received approval from the U.S. Department of Housing and Urban Development on the NSP; continued to hold foreclosure workshops and partnered with a City/County Foreclosure Taskforce. In addition, staff has further developed the various programs recommended in the NSP in consultation with various representatives from the building industry, other NSP recipients, and various nonprofit partners. The program guidelines and projects associated with this staff report implement the NSP activities approved by the Board of Supervisors in October 2008.

#### Recommendations

Staff recommends adoption of various resolutions in which:

1. Board of Supervisors approves the guidelines for the Vacant Property Program and the Property Recycling Program;
2. Board of Supervisors authorizes the allocation of \$4 million of NSP funding to the Lerwick Road project, approves a loan commitment for \$4 million, and authorizes SHRA to execute and transmit the \$4 million Conditional Loan Commitment to EPO Development or related entity for the Lerwick Road project;
3. Board of Supervisors authorizes the allocation of \$4 million of NSP funding to the

- Norcade Circle project, approves a loan commitment for \$4 million and authorizes SHRA to execute and transmit the \$4 million Conditional Loan Commitment to EPO Development or related entity for the Norcade Circle project;
4. Redevelopment Agency authorizes allocation of \$2.7 million of Mather Low/Moderate Taxable Bond Funds for the acquisition, renovation, and permanent financing of the Norcade Circle project;
  5. Redevelopment Agency approves a loan commitment of \$2.7 million and authorizes the Executive Director to execute and transmit the \$2.7 million Conditional Loan Commitment to EPO Development or related entity for the Norcade Circle project;
  6. Redevelopment Agency makes required findings associated with the use of Tax Increment funds;
  7. Board of Supervisors authorizes SHRA and its constituent entities to purchase, accept and/or transfer ownership of properties to further the goals of the Neighborhood Stabilization Program (NSP) pursuant to the guidelines as set out in various attachments to this report;
  8. Board of Supervisors authorizes the submission of amendments to the 2009 One-Year Action Plan to the U.S. Department of Housing and Urban Development (HUD);
  9. Board of Supervisors authorizes amendments to the Sacramento Housing and Redevelopment Agency (SHRA) Budget; and,
  10. Board of Supervisors authorizes the SHRA Executive Director or designee to execute agreements and such additional documents and to take such additional actions as necessary to implement the authorized contracts and the accompanying resolution.
  11. Board of Supervisors authorizes the County Executive to execute agreements and contracts with the appropriate entities to carry out NSP funded activities;
  12. Board of Supervisors authorizes SHRA to execute agreements and contracts with the appropriate entities to carry out the NSP funded activities.

The Clerk of the Board is requested to certify one copy of the resolution and forward it to the Sacramento Housing and Redevelopment Agency.

#### **Measures/Evaluation**

The recommended actions in this staff report are consistent with goals and objectives of the approved County of Sacramento 2008-2012 Consolidated Plan and the 2009 One-Year Action Plan containing the NSP. The goals included in the Consolidated Plan and the 2009 One-Year Action Plan consists of assisting low to moderate income persons and areas with the following: top quartile of census tracts with high rate of foreclosure, high cost loans, and a propensity for foreclosures to continue. NSP funds are estimated to directly assist 234 foreclosed properties in the unincorporated County.

#### **Fiscal Impact**

This report recommends allocations to various programs and projects from the one-time federal NSP allocation of \$18,605,460 in funding to address areas negatively impacted by foreclosure. This is a slight increase over the budgeted amount of \$18,419,405.

This report additionally recommends amendment of the Sacramento Housing and Redevelopment Agency budget to allocate Mather Redevelopment Project Area Low/Mod Taxable bond funds to the Norcade Circle project.

## **BACKGROUND**

In October 2008, the Board of Supervisors approved the submission of an ambitious \$18 million Neighborhood Stabilization Program (NSP) to the U.S. Department of Housing and Urban Development (HUD). The NSP targeted areas are those that are most severely impacted by foreclosures and in weaker housing markets that are not as readily able to recover without assistance (Attachment I). The NSP outlined several new programs that shared similar goals which were:

- Return vacant foreclosed or abandoned residential properties to occupancy as quickly as possible;
- Revitalize neighborhoods through strategic redevelopment, rehabilitation and reuse of vacant properties; and
- Provide affordable homeownership and improved affordable rental opportunities to Sacramento families.

Since October, staff has submitted and received approval from HUD on the NSP; continued to hold foreclosure workshops and partnered with a City/County Foreclosure Task Force; and further developed the various programs recommended in the NSP in consultation with various representatives from the building industry, other NSP recipients, and various nonprofit partners.

## **DISCUSSION**

This report recommends authorization to begin implementation of the NSP and represents a sizable investment of over \$18 million to mitigate the negative impacts of foreclosure in the most distressed neighborhoods of the County. Additionally, the NSP will provide affordable housing opportunities for families, leverage significant private resources, and should assist in retaining construction trade jobs.

### **Vacant Property Program (VPP)**

The Vacant Property Program is a new program designed to encourage for profit and nonprofit builders to purchase, rehabilitate, and sell foreclosed single family homes in the NSP Target Areas. Under the program's guidelines, builders will purchase foreclosed single-family properties using their own financial resources, receive a loan from SHRA to cover the costs of rehabilitation, and, upon successful sale to an eligible owner-occupant, receive a development fee. In no instance will a home be sold at a price that exceeds either the fair market value or the total of acquisition, rehabilitation/construction, and disposition costs.

*Pilot Pre-Foreclosure Initiative*

A portion of the VPP will be set aside to leverage private equity in an attempt to add a foreclosure prevention component to NSP efforts. Under the initiative, SHRA will partner with a firm looking to purchase distressed mortgages in the NSP Target Area to modify homeowner's loans to keep them in their homes. It is understood that a certain percentage of those distressed mortgages purchased by a private equity investor cannot be successfully refinanced. To mitigate the risk to the participating private equity investor, the VPP funds will be available for those properties that must be foreclosed upon to expedite their rehabilitation and occupancy.

Block Acquisition and Rehabilitation

Building off the success of past SHRA efforts at Phoenix Park and Fruitridge Vista, the NSP includes a Block Acquisition/Rehabilitation strategy to acquire, rehabilitate, and maintain as common rental property, units in designated areas where foreclosure and vacant properties have magnified existing physical and social blight issues. The income targeting of this effort will contribute to the NSP requirement of 25 percent expenditure to very low income (50% AMI) households. The areas evaluated for this strategy include ones that share many common traits, including poorly maintained fourplex and duplex homes; prevalence of investor-owned properties; heightened police and code enforcement activity; and declining property values. Following evaluation, SHRA recommends working with EPO Development to continue with the effort already underway on Lerwick Road and to initiate a project within the Norcade Circle area.

For the past two decades, SHRA and County departments have invested resources to improve conditions on Lerwick Road. These efforts have been largely unsuccessful in encouraging absentee landlords to maintain their properties and properly screen tenants. Last May, SHRA committed \$4 million of funding to begin the effort to revitalize the neighborhood. SHRA is currently working with EPO to purchase and acquire units in the Lerwick area. The units will be brought under single ownership and under the purview of one property Management Company. The recommended action would commit an additional \$4 million of NSP funding to help EPO expand their efforts in the Lerwick area. EPO is uniquely qualified because they already own six fourplexes in the area and have an established track record of successful projects with SHRA. The additional funding will allow them to acquire an additional seven fourplexes. This will result EPO owning 13 of the 25 fourplexes that exist in the neighborhood.

Norcade Circle is another challenging fourplex community comprised of two distinct parts, an inner and outer ring of properties. Prior to 1995, the inner ring of properties was organized as a multi-family rental property. In 1995 the property transitioned into a cooperative and in 2005 the cooperative was dissolved and the individual buildings were sold off. During this same period the outer ring of buildings were all individually owned. The lack of unified property management has historically created code and law enforcement issues in the outer ring. With the

dissolution of the inner ring cooperative, and the fact that the sale of those properties occurred when both high cost loans and property values were at their zenith, a significant portion of both inner and outer ring properties are now in foreclosure. To comprehensively address the challenges now facing Norcade Circle, it was decided that comprehensive ownership and uniform property management was necessary to eliminate blighting conditions and to improve the stock of affordable housing in the area.

During the interim period, SHRA has sought to identify opportunities to partner with current owners and to assemble properties at a size and scale that can effectuate a meaningful and sustainable transformation. During this period SHRA approached a new and significant property owner on the block to partner in a transformative project. That property owner was not interested in participating. Not to be deterred given the substantial blighting impacts resulting from foreclosures on the block, SHRA is proposing to commit a total of \$6.93 (\$2.93 million of Mather Taxable Bonds and \$4 million NSP) to the revitalization of Norcade Circle. The units will be brought under single ownership and under the purview of one property management firm. The commitment of funding will facilitate EPO to leverage outside funding which when combined with the Agency funding will facilitate the renovation of approximately 18 of fourplexes.

#### Property Recycling Program

The Property Recycling Program will allow SHRA to quickly acquire foreclosed properties under approved guidelines in the Target Areas, conduct the necessary rehabilitation or demolition, rent or dispose of properties, and engage in redevelopment. Specifically, the program could engage in the following functions:

- Acquire, rehabilitate and sell;
- Acquire, demolish and land bank;
- Develop land-banked assets in targeted areas, either separately or as a joint venture; and,
- Rent acquired assets and sell when market conditions improve.

This report requests authority for SHRA, and its affiliated entities, to purchase foreclosed properties that will assist in larger site assembly efforts, allow for unified property management opportunities, and/or alleviate the negative impacts of extremely deteriorated properties in heavily impacted neighborhoods. Properties identified through the Property Recycling Program are subject to specific acquisition and targeting criteria as outlined in the background section of this report (Attachment 2). Disposition of these properties will allow other opportunities to partner with nonprofit and for-profit entities.

**COMMISSION ACTION**

It is anticipated that, at its meeting on February 18, 2009, the Sacramento Housing and Redevelopment Commission will approve this item. In the event that they do not, Staff will notify the Board on February 24, 2009.

**MEASURES/EVALUATIONS**

The proposed appropriation of funds for new activities is consistent with goals and objectives of the approved County of Sacramento 2008-2012 Consolidated Plan and the 2009 One-Year Action Plan containing the Substantial Amendment for NSP. The goals included in the Consolidated Plan and One-Year Action Plan consist of assisting low-, moderate-, and middle-income persons and areas with the following: top quartile of census tracts with high rate of foreclosure, high cost loans, and a propensity for foreclosures to continue. NSP funds are estimated to directly assist 234 foreclosed properties in the unincorporated County. The Vacant Property Program is estimated to assist 80 units; the Lerwick Road and Norcade Circle projects are estimated to assist 80 units; and the Property Recycling Program is estimated to assist 74 units.

**FINANCIAL ANALYSIS**

This report recommends amendments to the 2009 SHRA budget and to the 2009 One-Year Action Plan to recognize the final grant award amount of \$18,605,460. This report recommends the following amendments:

<b>Program</b>	<b>Amount</b>
Vacant Property Program	\$4,000,000
<i>Pilot Pre-Foreclosure Initiative</i>	\$1,500,000
Lerwick Road Project	\$4,000,000
Norcade Circle Project	\$4,000,000
Property Recycling Program	\$3,305,460
Program Administration	\$1,800,000
<i>Total</i>	<i>\$18,605,460</i>

The Program Administration budget is to pay for planning and administrative activities associated with the NSP for the 60 month life of the program. The Administration funds will be distributed based on project activities undertaken through the Vacant Property Program, Block Acquisition and Rehabilitation, and the Property Recycling Program. In accordance with Section 2301 of the NSP Notice published in the Federal Register on October 6, 2008, all

program income resulting from financing mechanisms, land banking, and demolition activities will revert to the Community Development Block Grant (CDBG) Program and will be treated as additional CDBG funds. The NSP and tax increment funds allocated to the Block Acquisition and Rehabilitation will be structured as loans. The loans will be structured as 55 year loans with a 0% interest rate.

This report also recommends the allocation of \$2.7 million of Mather Low/Moderate Taxable Bond Funds for the acquisition, renovation, and permanent financing of the Norcade Road Rehabilitation Project.

### **POLICY CONSIDERATIONS**

The recommended actions in this staff report are consistent with the County of Sacramento's 2008-2013 Housing Element of the General Plan adopted December 17, 2008. Policy HE-15 of the Housing Element indicates that the County shall "Support efforts to alleviate the individual and community problems associated with mortgage default and foreclosure". To implement this policy, the Housing Element includes program HE-15(a), committing the County to participating in a pro-active task force addressing property issues associated with foreclosures. The programs under the NSP support this objective and are part of the coordination with the task force. The recommended actions are also consistent with the County of Sacramento's 2008-12 Consolidated Plan adopted October 23, 2007. The use of Mather Low/Moderate Housing Taxable Bond Funds is consistent with the Redevelopment Agency's strategy of expending affordable housing resources in neighborhoods that have proximity to the redevelopment area with the goal of expanding the supply of affordable housing throughout the County.

### **ENVIRONMENTAL REVIEW**

**California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA):** The proposed program activities are exempt from CEQA pursuant to CEQA Guidelines Section 15301(d), which exempts the rehabilitation of deteriorated structures to meet current standards of health and safety; CEQA Guidelines Section 15310, which exempts loans for the acquisition of existing structures; CEQA Guidelines Section 15303, which exempts the demolition of up to three small structures, and CEQA Guidelines Section 15004(b)(2)(A), which allows for land acquisition where the Agency will conduct CEQA review once the proposed project has been defined when the acquisition does not limit the choice of alternatives or mitigation measures, and future development of the land is subject to CEQA compliance.

The proposed program activities are categorically excluded from NEPA pursuant to 24 CFR 58.35(a)(3)(i), which excludes rehabilitation of buildings and improvements; 24 CFR 58.35(a)(4)(ii), which excludes individual actions on up to five or more houses developed on scattered sites, and 24 CFR 58.35(a)(5), which excludes acquisition of existing structures. Site

specific NEPA review will be performed for each subsequent action prior to funding commitment. NEPA imposes additional requirements on properties located within flood hazard zones. All properties included within the geographic scope of this approval (Phase 1 areas) are determined to meet 100 year flood protection requirements. Properties in Phase 2 areas do not meet 100 year flood protection requirements and will be the subject of a subsequent approval and environmental review process.

Please refer to Attachment III for additional information.

### **M/WBE CONSIDERATIONS**

Minority and Woman's Business Enterprise requirements will be applied to all activities to the extent required by federal funding. To the extent possible, SHRA shall encourage all participants to hire locally and to partner with emerging small businesses.

Respectfully submitted,

APPROVED

LA SHELLE DOZIER  
Executive Director  
Sacramento Housing and Redevelopment Agency

TERRY SCHUTTEN  
County Executive

#### Attachments:

RES – County BOS Resolution  
RES – RACOS Resolution  
RES – HACOS Resolution  
RES – RACOS Norcade  
RES – BOS Norcade  
RES – BOS Lerwick  
ATT I – NSP Target Area Map  
ATT II – Background  
ATT III – Environmental Determination & Map  
ATT IV – Vacant Property Program  
ATT V – Lerwick Map and Sources and Uses  
ATT VI – Norcade Map and Sources and Uses  
ATT VII – Property Recycling Program  
Powerpoint Presentation

**RESOLUTION NO. 2009-0104**

**APPROVAL OF GUIDELINES FOR ACTIVITIES TO BE UNDERTAKEN AS PART OF THE NEIGHBORHOOD STABILIZATION PROGRAM; AMENDMENTS TO THE 2009 ACTION PLAN AND THE SHRA BUDGET**

**WHEREAS**, on October 23, 2007, the Sacramento County Board of Supervisors approved the 2008-2012 Consolidated Plan. The Consolidated Plan identifies the County's housing and community development needs and describes the long-term strategy for meeting those needs. In addition, it specifically addresses federally funded housing and community development programs to include the Community Development Block Grant (CDBG); and

**WHEREAS**, the Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities of the Consolidated Plan; and

**WHEREAS**, the Sacramento Housing and Redevelopment Agency (SHRA) annually serves as the designee for the County of Sacramento to administer community development grants originating from HUD; and

**WHEREAS**, on July 30, 2008, Congress passed and the President signed into law House Resolution 3221, the Housing and Economic Recovery Act of 2008 (HERA), which authorized a one-time \$3.9 billion allocation to be distributed to the states and local governments to mitigate community impacts resulting from foreclosure; and

**WHEREAS**, HUD released the formula and regulations for the new allocation of CDBG under the Neighborhood Stabilization Program (NSP) as prescribed by HERA on September 29, 2008, and a substantial amendment to the Consolidated Plan for NSP funding was to be submitted to HUD no later than December 1, 2008 and approved no later than February 13, 2009; and

**WHEREAS**, on October 21, 2008, a noticed public hearing soliciting comments and approving the 2009 One-Year Action Plan containing the Substantial Amendment for NSP and its submission was held by the Sacramento County Board of Supervisors; and

**WHEREAS**, a noticed public hearing soliciting comments on the guidelines for activities to be undertaken as part of the NSP and necessary amendment to implement was held by the Sacramento Housing and Redevelopment Commission on February 18, 2009 and the Sacramento County Board of Supervisors on February 24, 2009; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO**

Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, are approved.

Section 2. The Amendment to the 2009 Action Plan, which allocates \$5.5 million (\$5,500,000) in anticipated NSP funding to the Vacant Property Program is approved.

Section 3. SHRA is authorized to establish an over-the-counter submission process to accept qualifications and select participants for the Vacant Property Program.

Section 4. SHRA is authorized to establish qualification and selection criteria pursuant to the guidelines included in the Vacant Property Program.

Section 5. SHRA is authorized to establish a Rehabilitation Loan for participants based upon an accepted scope of work and corresponding budget pursuant to the Vacant Property Program.

Section 6. SHRA is authorized under the Vacant Property Program to create a pilot program to fund a rehabilitation loan/line-of-credit to support properties that cannot be prevented from going into foreclosure in order to rapidly reoccupy them as part of a larger private equity foreclosure prevention activity.

Section 7. SHRA is authorized to select and implement the participant(s) in the pilot program.

Section 8. SHRA is authorized to establish a Developer Fee of \$30,000 payable to participating builders in the Vacant Property Program upon the close of escrow with a qualified homebuyer.

Section 9. The Amendment to the 2009 Action Plan, which allocates \$3,305,460 in anticipated NSP funding to the Project Recycling Program, is approved.

Section 10. SHRA is authorized under the Property Recycling Program to purchase and/or land bank vacant or foreclosed properties in the targeted areas that are \$500,000 or less, meet the NSP discount requirements and either support larger site assembly efforts; can be absorbed into the Housing Authority or private partner's property management portfolio; or will alleviate the negative impacts of foreclosure in a neighborhood due to the deteriorated condition of the property.

Implementation Of Neighborhood Stabilization Program; Amendments To The 2009 One-Year Action Plan and SHRA Budget

Page 3

Section 11. The Amendment to the 2009 Action Plan which allocates \$1,800,000 in anticipated NSP funding to program administration to carry out activities for the life of the program is approved.

Section 12. SHRA is authorized to apply for and/or accept additional NSP funding.

Section 13. SHRA and its constituent entities are authorized to purchase, accept and/or transfer ownership of properties to further the goals of NSP.

Section 14. SHRA is authorized to execute agreements and such additional documents, as approved by Agency Counsel, and to take such additional actions as necessary to implement the authorized contracts and this resolution.

Section 15. The County Executive is authorized to execute agreements and such additional documents, as approved by County Counsel, and to take such additional actions as necessary to implement the authorized contracts and this resolution.

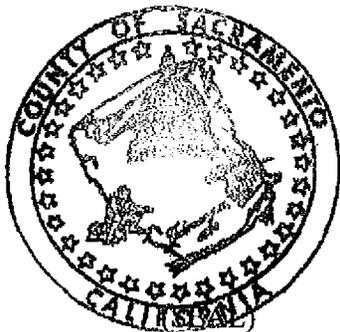
On a motion by Supervisor Nottoli, seconded by Supervisor Yee, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2009, by the following vote, to wit:

AYES: Supervisors, Dickinson, MacGlashan, Nottoli, Yee

NOES: Supervisors, None

ABSENT: Supervisors, Peters

ABSTAIN: Supervisors, None

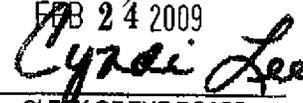


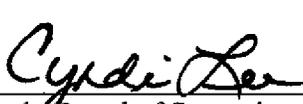
  
Chair, Board of Supervisors  
of Sacramento County, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on 2/24/09

By   
Deputy Clerk, Board of Supervisors

**FILED**  
BOARD OF SUPERVISORS

FEB 24 2009  
BY   
CLERK OF THE BOARD

ATTEST:   
Clerk, Board of Supervisors

**RESOLUTION NO.** RA-0873

**ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF  
SACRAMENTO**

ON DATE OF

FEBRUARY 24, 2009

**APPROVAL OF GUIDELINES FOR ACTIVITIES TO BE UNDERTAKEN AS PART  
OF THE NEIGHBORHOOD STABILIZATION PROGRAM; AMENDMENTS TO THE  
2009 ACTION PLAN AND THE SHRA BUDGET**

**WHEREAS**, on October 23, 2007, the County of Sacramento Board of Supervisors approved the 2008-2012 Consolidated Plan. The Consolidated Plan identifies the County's housing and community development needs and describes the long-term strategy for meeting those needs. In addition, it specifically addresses federally funded housing and community development programs to include the Community Development Block Grant (CDBG).

**WHEREAS**, the Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities of the Consolidated Plan; and

**WHEREAS**, the Sacramento Housing and Redevelopment Agency (SHRA) annually serves as the designee for the County of Sacramento to administer community development grants originating from HUD; and

**WHEREAS**, on July 30, 2008, Congress passed and the President signed into law House Resolution 3221, the Housing and Economic Recovery Act of 2008 (HERA), which authorized a one-time \$3.9 billion allocation to be distributed to the states and local governments to mitigate community impacts resulting from foreclosure; and

**WHEREAS**, HUD released the formula and regulations for the new allocation of CDBG under the Neighborhood Stabilization Program (NSP) as prescribed by HERA on September 29, 2008, and a substantial amendment to the Consolidated Plan for NSP funding was to be submitted to HUD no later than December 1, 2008 and approved no later than February 13, 2009; and

**WHEREAS**, on October 21, 2008, a noticed public hearing soliciting comments and approving the 2009 One-Year Action Plan containing the Substantial Amendment for NSP and its submission was held by the County of Sacramento Board of Supervisors; and

**WHEREAS**, a noticed public hearing soliciting comments on the guidelines for activities to be undertaken as part of the NSP and necessary amendment to implement was held by the Sacramento Housing and Redevelopment Commission on February 18, 2009 and the County of Sacramento Board of Supervisors on February 24, 2009; and

**NOW, THEREFORE**, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO

Section 1. All evidence presented having been duly considered, the findings, including environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. The Executive Director, or designee, is authorized to utilize the Redevelopment Agency under the Property Recycling Program to purchase, undertake rehabilitation, and/or land bank vacant or foreclosed properties in the targeted areas that are \$500,000 or less, meet the NSP discount requirements and either support larger site assembly efforts; can be absorbed into the Housing Authority or private partner's property management portfolio; or will alleviate the negative impacts of foreclosure in a neighborhood due to the deteriorated condition of the property.

Section 3. The Executive Director, or designee, is authorized to take all reasonable steps to secure and maintain the acquired properties

Section 4. The Executive Director, or designee, is authorized to execute agreements and such additional documents, as approved by Agency Counsel, and to take such additional actions as necessary to implement the authorized contracts and this resolution

Implementation Of Neighborhood Stabilization Program; Amendments To The 2009 One Year Action Plan and SHRA Budget  
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On a motion by Member Nottoli, seconded by Member Yee, the foregoing Resolution was passed and adopted by the Redevelopment Agency of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2009, by the following vote, to wit:

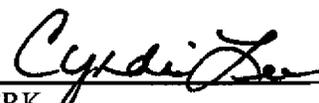
AYES: Members, Dickinson, MacGlashan, Nottoli, Yee  
NOES: Members, None  
ABSENT: Members, Peters  
ABSTAIN: Members, None

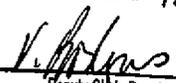


  
Chair of the Redevelopment Agency  
of the County of Sacramento, California

**FILED**  
BOARD OF DIRECTORS  
FEB 24 2009  
By   
Clerk of the Board

ATTEST:

  
CLERK

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman on 2/24/09  
By   
Deputy Clerk, Board of Directors

**RESOLUTION NO. HA-2304**

**ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO**

ON DATE OF  
FEBRUARY 24, 2009

**APPROVAL OF GUIDELINES FOR ACTIVITIES TO BE UNDERTAKEN AS PART  
OF THE NEIGHBORHOOD STABILIZATION PROGRAM; AMENDMENTS TO THE  
2009 ACTION PLAN AND THE SHRA BUDGET**

**WHEREAS**, on October 23, 2007, the County of Sacramento Board of Supervisors approved the 2008-2012 Consolidated Plan. The Consolidated Plan identifies the County's housing and community development needs and describes the long-term strategy for meeting those needs. In addition, it specifically addresses federally funded housing and community development programs to include the Community Development Block Grant (CDBG).

**WHEREAS**, the Department of Housing and Urban Development (HUD) requires the annual submittal of a One-Year Action Plan describing proposed activities and expenditures for the following year using the goals and priorities of the Consolidated Plan; and

**WHEREAS**, the Sacramento Housing and Redevelopment Agency (SHRA) annually serves as the designee for the County of Sacramento to administer community development grants originating from HUD; and

**WHEREAS**, on July 30, 2008, Congress passed and the President signed into law House Resolution 3221, the Housing and Economic Recovery Act of 2008 (HERA), which authorized a one-time \$3.9 billion allocation to be distributed to the states and local governments to mitigate community impacts resulting from foreclosure; and

**WHEREAS**, HUD released the formula and regulations for the new allocation of CDBG under the Neighborhood Stabilization Program (NSP) as prescribed by HERA on September 29, 2008, and a substantial amendment to the Consolidated Plan for NSP funding was to be submitted to HUD no later than December 1, 2008 and approved no later than February 13, 2009; and

**WHEREAS**, on October 21, 2008, a noticed public hearing soliciting comments and approving the 2009 One-Year Action Plan containing the Substantial Amendment for NSP and its submission was held by the County of Sacramento Board of Supervisors; and

**WHEREAS**, a noticed public hearing soliciting comments on the guidelines for activities to be undertaken as part of the NSP and necessary amendment to implement was held by the

Sacramento Housing and Redevelopment Commission on February 18, 2009 and the  
County of Sacramento Board of Supervisors on February 24, 2009; and

**NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO**

Section 1. All evidence presented having been duly considered, the findings,  
including environmental findings regarding this action, as stated in the staff report that  
accompanies this resolution, are approved.

Section 2. The Executive Director, or designee, is authorized to utilize the Housing  
Authority under the Property Recycling Program to purchase, undertake rehabilitation, and/or  
land bank vacant or foreclosed properties in the targeted areas that are \$500,000 or less, meet the  
NSP discount requirements and either support larger site assembly efforts; can be absorbed into  
the Housing Authority or private partner's property management portfolio; or will alleviate the  
negative impacts of foreclosure in a neighborhood due to the deteriorated condition of the  
property.

Section 3. The Executive Director, or designee, is authorized to take all reasonable  
steps to secure and maintain the acquired properties

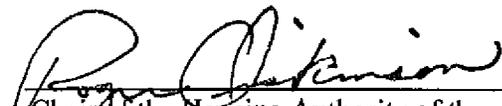
Section 4. The Executive Director, or designee, is authorized to execute agreements  
and such additional documents, as approved by Agency Counsel, and to take such additional  
actions as necessary to implement the authorized contracts and this resolution.

Implementation Of Neighborhood Stabilization Program: Amendments To The 2009 One-Year Action Plan And SHRA Budget  
Page 3

On a motion by Member Nottoli, seconded by Member Yee, the foregoing Resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2009, by the following vote, to wit:

AYES: Members, Dickinson, MacGlashan, Nottoli, Yee  
NOES: Members, None  
ABSENT: Members, Peters  
ABSTAIN: Members, None

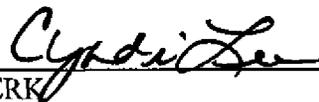


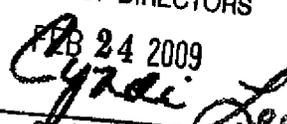
  
viced Chair of the Housing Authority of the  
County of Sacramento, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman on 2/24/09

By   
Deputy Clerk, Board of Directors

ATTEST:

  
CLERK

FILED  
BOARD OF DIRECTORS  
FEB 24 2009  
By   
Clerk of the Board

**RESOLUTION NO. RA-0874**

**ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF  
SACRAMENTO**

ON DATE OF  
FEBRUARY 24, 2009

**REHABILITATION OF TEN FOURPLEXES ON NORCADE: APPROVAL OF A  
LOAN COMMITMENT BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF  
SACRAMENTO ("AGENCY") OF UP TO \$2.7 (MATHER LOW/MODERATE  
TAXABLE BOND FUNDS) WITH EPO DEVELOPMENT OR RELATED ENTITY**

**NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY  
OF THE COUNTY OF SACRAMENTO:**

Section 1: After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, the following administrative activities are approved.

Section 2: The Loan Commitment for the financing of Norcade Rehabilitation project ("Loan") is approved and the Executive Director is authorized to execute and transmit the Loan Commitment to EPO Development, or related entity for \$2,700,000.

Section 3: The Agency finds that the Project will preserve the community's supply of low income housing available at an affordable housing cost to persons that are very low, low, and moderate income households, including workforce housing for Mather and other project areas, and is located outside of the project area but within the Agency's jurisdiction (unincorporated County).

Section 4: The Executive Director or designee is authorized to make technical amendments to said agreements and documents with the approval of Agency Counsel, which amendments do not substantially deviate from the standard Agency loan commitment document forms, are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices of the making of such a loan, and with the staff report that accompanies this resolution.

Section 5: The Executive Director, or her designee, is authorized to allocate \$2,700,000 from Mather Low/Mod Tax Taxable Bond Funds for the acquisition, new construction, and permanent financing of the Norcade Rehabilitation project.

Section 6: Staff will return for Governing Board Project approval if and when there is a negotiated transaction satisfactory to Agency staff.

On a motion by Member Nottoli, seconded by Member Yee, the foregoing Resolution was passed and adopted by the Redevelopment Agency of the County of Sacramento, State of California this day of May, 2008, by the following vote, to wit:

AYES:	Members,	Dickinson, MacGlashan, Nottoli, Yee
NOES:	Members,	None
ABSENT:	Members,	Peters
ABSTAIN:	Members,	None

  
Chair of the Redevelopment Agency  
of the County of Sacramento, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman on 7/24/09

By V. Rodgas  
Deputy Clerk, Board of Directors

**FILED**  
BOARD OF DIRECTORS

FEV 24 2009  
By Cyndi Lee  
Clerk of the Board

ATTEST:

  
Cyndi Lee  
CLERK

**RESOLUTION NO. 2009-0105**

**NORCADE FOURPLEXES: APPROVAL OF \$4 MILLION LOAN COMMITMENT (COUNTY NEIGHBORHOOD STABILIZATION PROGRAM (NSP)); EXECUTION OF LOAN COMMITMENT, AND RELATED DOCUMENTS WITH THE EPO DEVELOPMENT - LERWICK L.P., OR RELATED ENTITY AND RELATED BUDGET AMENDMENT**

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:**

Section 1: After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, the following activities are approved.

Section 2: The Loan Commitment for the financing of Norcade Rehabilitation project ("Loan") is approved upon completion of NEPA clearance and the Executive Director is authorized to execute and transmit the Loan Commitment to EPO Development, or related entity for \$4,000,000.

Section 3: SHRA is authorized to make technical amendments to said agreements and documents with the approval of Agency Counsel, which amendments do not substantially deviate from the standard Agency loan commitment document forms, are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices of the making of such a loan, and with the staff report that accompanies this resolution.

Section 4: SHRA is authorized to allocate \$4,000,000 from Neighborhood Stabilization Program Funds in its budget for the acquisition, rehabilitation, and permanent financing of the Norcade Rehabilitation project.

Section 5: Staff will return for this Board's Project approval if and when there is a negotiated transaction satisfactory to Agency staff.

Implementation Of Neighborhood Stabilization Program; Amendments To The 2009 One-Year Action Plan And SHRA Budget

Page 2

On a motion by Supervisor Nottoli, seconded by Supervisor Yee, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California this 24<sup>th</sup> day of February, 2009, by the following vote, to wit:

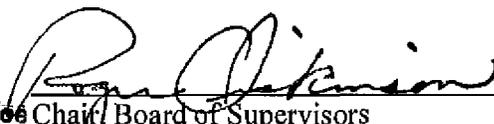
AYES: Supervisors, Dickinson, MacGlashan, Nottoli, Yee

NOES: Supervisors, None

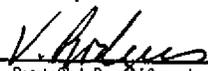
ABSENT: Supervisors, Peters

ABSTAIN: Supervisors, None

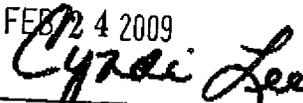


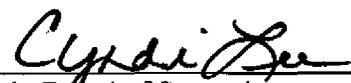
  
Vice Chair Board of Supervisors  
of Sacramento County, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on 2/24/09

By   
Deputy Clerk, Board of Supervisors

**FILED**  
BOARD OF SUPERVISORS

FEB 24 2009  
BY   
CLERK OF THE BOARD

ATTEST:   
Clerk, Board of Supervisors

**RESOLUTION NO. 2009-0106**

**LERWICK ROAD: APPROVAL OF \$4 MILLION LOAN COMMITMENT (COUNTY NEIGHBORHOOD STABILIZATION PROGRAM (NSP)); EXECUTION OF LOAN COMMITMENT, AND RELATED DOCUMENTS WITH THE EPO DEVELOPMENT - LERWICK L.P., OR RELATED ENTITY AND RELATED BUDGET AMENDMENT**

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO:**

Section 1: After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, the following activities are approved.

Section 2: The Loan Commitment for the financing of Lerwick Rehabilitation project ("Loan") is approved upon completion of NEPA clearance and the Executive Director is authorized to execute and transmit the Loan Commitment to EPO Development or related entity for \$4,000,000.

Section 3: SHRA is authorized to make technical amendments to said agreements and documents with the approval of Agency Counsel, which amendments do not substantially deviate from the standard Agency loan commitment document forms, are in accordance with the Loan Commitment, with Agency policy, with this resolution, with good legal practices of the making of such a loan, and with the staff report that accompanies this resolution.

Section 4: SHRA is authorized to allocate \$4,000,000 from Neighborhood Stabilization Program Funds for the acquisition, rehabilitation and permanent financing of the Lerwick Rehabilitation project.

Section 5: Staff will return for this Board's Project approval if and when there is a negotiated transaction satisfactory to Agency staff.

Implementation Of Neighborhood Stabilization Program; Admendments To The 2009 One-Year Action Plan And SHRA Budget

Page 2

On a motion by Supervisor Nottoli, seconded by Supervisor Yee, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento, State of California, this 24<sup>th</sup> day of February, 2009, by the following vote, to wit:

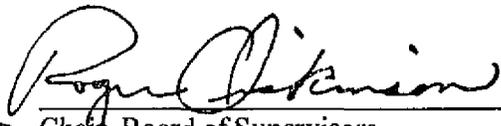
AYES: Supervisors, Dickinson, MacGlashan, Nottoli, Yee

NOES: Supervisors, None

ABSENT: Supervisors, Peters

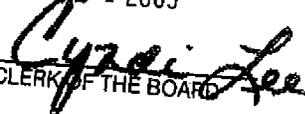
ABSTAIN: Supervisors, None

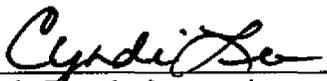


  
Chair, Board of Supervisors  
of Sacramento County, California

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chairman of the Board of Supervisors, County of Sacramento on 2/24/09

By   
Deputy Clerk, Board of Supervisors

**FILED**  
BOARD OF SUPERVISORS  
FEB 24 2009  
BY   
CLERK OF THE BOARD

ATTEST:   
Clerk, Board of Supervisors