

Action Plan

Grantee: Sacramento County, CA

Grant: B-11-UN-06-0004

LOCCS Authorized Amount:	\$ 8,358,000.00
Grant Award Amount:	\$ 8,358,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 5,853,040.66
Total Budget:	\$ 14,211,040.66

Funding Sources

Funding Source	Funding Type
Other	Other Private Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

The Sacramento Housing and Redevelopment Agency (SHRA), a joint powers authority of the City and County, serves annually as the designee for the City and County to administer community development grants originating from HUD. As such, the City and County authorized SHRA to administer the NSP3 program.

Sacramento's NSP3 target areas exhibit the following traits: 1) high crime- and code-related incidences; 2) increased physical deterioration of existing housing manifested through a prevalence of aged, deteriorated housing; and 3) ongoing challenges related to above average concentrations of rental housing. As a result, the NSP3 target areas are the most impacted neighborhoods related to foreclosure.

SHRA's approach to stabilizing the target neighborhoods includes a comprehensive strategy; providing homeownership and rental opportunities as well as investing significant resource into improving the existing housing stock by providing high quality, energy- and cost-efficient housing for very-low, low- and moderate-income families.

The NSP3 efforts will complement ongoing public and private initiatives within the target neighborhoods, which include affordable housing programs, ownership and rental housing projects, and critical capital improvements. Specifically, NSP3 dollars will support the continuation of two successful NSP1 activities including the Vacant Properties Program and the Property Recycling Program as described in detail below. The continuation of existing programs allows SHRA to take advantage of operational systems in place to facilitate an efficient implementation and deployment of NSP3.

How Fund Use Addresses Market Conditions:

Target Area Current Market Conditions:

- **Concentrated Foreclosure Rates and High Cost Loans:** September 2009 through September 2010, the target areas experienced 1,342 new foreclosures; representing 9 percent of the total number of foreclosures within the unincorporated County and City of Sacramento over the same time period, according to data from MDA Data Quick (McDonald, Dettwiler and Associates, Ltd.) On average, an estimated 34 percent of all loans in the target areas originating between 2004 and 2007 were high cost/high leverage compared to 12.8 percent for the county as a whole as calculated by HUD.

- **Decline in Home Values:** As a result of the sheer number of foreclosures, the target areas have experienced rapidly declining home values. In April 2006, according to MLS data from the Sacramento Association of Realtors, median sales prices in the eight ZIP codes that represent a large portion of the target areas ranged from \$254,000 - \$300,000. By September 2010, median prices in those same eight ZIP codes had fallen to \$63,000 - 140,000, representing an average median price decline of 70 percent from market peak.



- **Income Characteristics and Housing Cost Burden:** The NSP3 target areas represent communities in the region with some of the lowest family incomes, highest pockets of poverty, and high unemployment.

- **Excessive code violations and crime:** The NSP3 target areas represent communities in the region with some of the highest rates of incidents.

- **Rehabilitation needs:** The NSP3 target area contain mostly older residential neighborhoods, characterized by the predominance of aged, functionally obsolete homes (lacking air conditioning, insulation, etc.).

- **Concentration of rental housing:** According to 2005-2009 ACS estimates, 60 percent of homes in Sacramento County were owner-occupied as opposed to approximately 46 percent within the NSP3 target areas.

Response:

The deployment of NSP3 resources in coordination with other local funds and activities within the refined target areas will be at a scale and concentration of activity where the number of units and properties directly assisted will visibly impact neighborhoods by arresting the most deteriorated properties. By visibly arresting the most deteriorated and impacted properties the surrounding properties will be positively impacted by the changed perception, property and values will begin to stabilize. Vacant foreclosed properties will be rehabilitated and occupied by owners and renters that can sustainably afford their units. The high level of rehabilitation, the use of fixed rate mortgages, and the stabilization of property values should reduce the cost burden for residents.

Ensuring Continued Affordability:

Rental properties assisted with NSP3 will follow the HOME rental requirements for ensuring continued affordability which pertains to the amount of investment provided on a per unit basis and will be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD.

The target areas, on average, are naturally affordable and long term regulatory restrictions are not required for homeownership units. SHRA has tracked the natural affordability of its NSP1 target areas over the past three years and records show the target areas have become increasingly affordable over that time period. All proposed NSP3 target areas fall within the boundaries of existing NSP1 target areas. SHRA will annually calculate the affordability rate for the target area to ensure continued natural affordability. All homes purchased in the NSP3 target area will be affordable to families at or below moderate income.

Definition of Blighted Structure:

The definition of a blighted structure is located under California State Redevelopment Law (California Health and Safety Code 33000 et seq.), specifically in section 33031.

Physical Blight is described at Subdivision (a) of section 33031 and includes:

1. A building in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
2. Factors that prevent or substantially hinder the economically viable use or capacity of building or lots.
3. Adjacent or nearby uses that are incompatible with each other and prevent economic development of those parcels or other portions of the area.
4. Existence of irregularly formed, shaped or sized lots for proper usefulness that owned by multiple entities, given present General Plan and zoning standards and present market conditions
5. Serious residential overcrowding that has resulted in significant public health or safety problems.
6. An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.
7. A high crime rate that constitutes a serious threat to the public safety and welfare.

Definition of Affordable Rents:

As a policy (see Procedures for Preferences for Affordable Rental Dev), SHRA adopted the Low HOME rent as the standard definition of affordable rents for NSP units. 24 CFR 92.252(b)(1) defines the Low HOME rent standards as follows:

The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.

24 CFR 92.252(c) further describes how utility allowances are to be factored in to rent standards: The participating jurisdiction must establish maximum monthly allowances for utilities and services (excluding telephone). The participating jurisdiction must review and approve rents proposed by the owner for units subject to the maximum rent limitations in paragraphs (a) or (b) of this section. For all units subject to the maximum rent limitations in paragraphs (a) or (b) of this section for which the tenant is paying utilities and services, the participating jurisdiction must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.

Housing Rehabilitation/New Construction Standards:

SHRAs housing rehabilitation standards comprehensively address all facets of design, construction and sustainability. The standards incorporate selected portions of Build It Green's "GreenPoint Rated Existing Home Checklist" as well as applicable incentive programs from the local utility districts, with particular emphasis in three areas: energy efficiency, indoor environmental quality, and durability. All rehabilitation work is overseen by SHRA's construction management staff, including review and approval of scope of work and participating in on-going construction inspections. Included in the requirements are the following:

1. Accessibility Housing. Units constructed or improved with NSP3 funds shall meet the accessibility standards of 24 CFR, Part 8. For Multi-Family projects, the total number of units made accessible for those projects shall meet the requirements of this section. Though Single Family homes are exempt from these requirements, (reasonable accommodations) will be made where a demonstrated need for accessibility improvements are shown for a particular residence.
2. Energy Efficiency and Green Building Standards for Existing Buildings. SHRAs adopted Construction Standards (for existing buildings) were created as an amalgam of our own building standards (which already incorporated many energy-efficiency features) and Build It Green's GreenPoint Rated Existing Home Checklist. The resulting document was highly received by Build It Green, who used it as the blueprint for their own Construction Standards. For all areas of work affected, where a green approach to the rehab may be utilized, the standards prescribe the methods used to achieve this goal. Use of Energy Star products and appliances, and adherence to local utilities rebate programs for high efficiency replacement systems, are woven into the document.
3. Energy Efficiency and Green Building Standards for New Low-rise Buildings. For buildings up to three stories in height, all newly constructed housing, and gut-rehab projects defined as new construction,
4. Energy Efficiency and Green Building Standards for Mid-rise and High-Rise Buildings. For buildings greater than three stories in height, all newly constructed housing, and gut rehab projects defined as new construction.
5. Water efficient fixtures. Water-saving plumbing fixtures, such as toilets, tub / shower valves, and faucets, shall be used wherever replaced or newly installed.

Vicinity Hiring:

In accordance with the requirements of NSP3 funding, SHRA will to the greatest extent feasible, provide for the hiring of employees who reside in the vicinity of projects funded under NSP3 and contract with small businesses that are owned and operated by persons residing in the vicinity of projects funded under NSP3.

SHRA will continue all outreach efforts as outlined in NSP1, enhancing its publishing and posting requirements, and will take additional steps to proactively identify prospective new hires as job opportunities become available through NSP3 initiatives, including:

A training workshop was held on May 31, 2013, to inform all NSP3 development partners of required local hire preference and Section 3 hire requirements;

- Additional job opportunities and advertisements will be published in the local ethnic newspapers;
- Additional job opportunities and postcards and flyers will be distributed to local community based organizations and employment centers; and
- NSP3 development partners will be required to post flyers related to job/trade specific new hire opportunities available at targeted locations.

Procedures for Preferences for Affordable Rental Dev.:

The NSP3 target areas have a higher concentration of rental housing relative to the rest of the City and County. To ensure compliance with the preference for affordable rental development NSP3 requirements stating that at least 25 percent of NSP3 dollars will be used to provide housing that is affordable to very low-income families, those that make no more than 50 percent AMI be targeted for rental activities. SHRA will meet or exceed this requirement through the rehabilitation of blighted homeownership and rental housing units within the target areas. Once rehabilitated, these units will be restricted to families earning not more than 50 percent AMI. Rental housing resident incomes will be verified during the time of application, interim re-examination and annual re-examination. All residents will be individually assessed to ensure their mortgage or rent is affordable based on their paying no more than 30 percent of income towards housing.

Grantee Contact Information:

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Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	No activities in this project	
A. Administration	Administration	656-478-1245	Administration



B. Vacant Property Program	VPP	65-2410-4761 VPP - VLI	VPP (VLI)
		656-478-4761 VPP	VPP
C. Property Recycling	PRP (SF)	65-2315-5080 PRE (City)	Purchase and Resale Entity (PRE, Welcome Home)
		65-2410-4891 (SF) - VLI	PRP (SF) - VLI
		656-478-4891 PRP (SF)	PRP (SF)
D. Property Recycling	PRP (MF)	656-478-4962 PRP (MF)	PRP (MF)
E. Purchase and Resale	PRE	<i>No activities in this project</i>	



Activities

Project # / Title: A. Administration / Administration

Grantee Activity Number: 656-478-1245
Activity Title: Administration

Activity Type:

Administration

Project Number:

A. Administration

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,252,799.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,252,799.00

Benefit Report Type:

NA

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 1,252,799.00

Location Description:



City and County NSP3 eligible areas.

Activity Description:

Administration of Neighborhood Stabilization Program activities; Eligible Use 24 CFR205 and 206.

Environmental Assessment: EXEMPT

Environmental Reviews: None

Project # / Title: B. Vacant Property Program / VPP

Grantee Activity Number: 65-2410-4761 VPP - VLI

Activity Title: VPP (VLI)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

B. Vacant Property Program

Projected Start Date:

07/01/2013

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

VPP

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 511,294.60

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 511,294.60

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	4	4		100.00
# of Households	4	4		100.00



Proposed Accomplishments**Total**

of Singlefamily Units

4

of Housing Units

4

of Properties

4

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 511,294.60

Location Description:

County NSP3 target areas including Neighborhoods 6798583, 4936950, 8664611 and 5484069.

Activity Description:

The program is designed to return vacant and blighted homes to owner occupancy by partnering with local builders and non-profits in targeted areas of the City and County. The VPP requires that a builder/non-profit purchase a foreclosed property in the Target Areas and submit their qualifications and scope of work for the rehabilitation. Following approval of their qualifications and based upon an agreed scope of work the builder can then access a zero interest rehabilitation loan. The loan is disbursed upon verification of the work performed. The loan may be partially forgivable if the total acquisition, rehabilitation and disposition costs exceed the sales price.

The program provides a developer incentive fee to be paid after homes are rehabilitated and sold to owner-occupants. The developer fee will be disbursed at the close of escrow when an eligible homebuyer has purchased the property. Sales prices can not exceed the total of acquisition, rehabilitation and disposition costs. All property scopes of work will be approved by SHRA and inspected to meet construction requirements prior to sale.

Homes must be sold to homeowner occupants making no more than 50% of area median income, adjusted for family size and who have completed 8 hours of HUD-approved homebuyer education counseling.

Environmental Assessment: COMPLETED**Environmental Reviews:** None**Activity Supporting Documents**

Grantee Activity Number: 656-478-4761 VPP
Activity Title: VPP

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

B. Vacant Property Program

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Under Way

Project Title:

VPP

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,188,705.40

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,188,705.40

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
17			0.00
17			0.00

of Households

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Properties

Total

17

17

17

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 1,188,705.40



Location Description:

County NSP3 target areas including Neighborhoods 6798583, 4936950, 8664611 and 5484069.

Activity Description:

The program is designed to return vacant and blighted homes to owner occupancy by partnering with local builders and non-profits in targeted areas of the City and County. The VPP requires that a builder/non-profit purchase a foreclosed property in the Target Areas and submit their qualifications and scope of work for the rehabilitation. Following approval of their qualifications and based upon an agreed scope of work the builder can then access a zero interest rehabilitation loan. The loan is disbursed upon verification of the work performed. The loan may be partially forgivable if the total acquisition, rehabilitation and disposition costs exceed the sales price.

The program provides a developer incentive fee to be paid after homes are rehabilitated and sold to owner-occupants. The developer fee will be disbursed at the close of escrow when an eligible homebuyer has purchased the property. Sales prices can not exceed the total of acquisition, rehabilitation and disposition costs. All property scopes of work will be approved by SHRA and inspected to meet construction requirements prior to sale.

Homes must be sold to homeowner occupants making no more than 120% of area median income, adjusted for family size and who have completed 8 hours of HUD-approved homebuyer education counseling.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Supporting Documents

[Document](#) VPP FACT SHEET Rev 4 7 09.pdf

Project # / Title: C. Property Recycling Program / PRP (SF)

Grantee Activity Number:	65-2315-5080 PRE (City)
Activity Title:	Purchase and Resale Entity (PRE, Welcome Home)

Activity Type:
Rehabilitation/reconstruction of residential structures

Project Number:
C. Property Recycling Program

Projected Start Date:
01/01/2016

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:

Activity Status:
Under Way

Project Title:
PRP (SF)

Projected End Date:
01/01/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget:	\$ 640,000.00
Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 1,971,028.00
Total Funds:	\$ 2,611,028.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	54			0.00
# of Households	54			0.00

Proposed Accomplishments

	Total
# of Singlefamily Units	54
# of Housing Units	54
# of Properties	54

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 640,000.00

Funding Source Name

Other

Matching Funds

No

Funding Amount

\$ 1,971,028.00

Location Description:

Former and vacant Housing Authority/Section 32 homes in the City of Sacramento in the following zip codes: 95815, 95820, 95822, 95824, 95832, 95833 and 95838

Activity Description:

Rehabilitation of former, vacant and blighted Housing Authority/Section 32 homes and sale to qualified low-income, owner, first-time homebuyers whose incomes do not exceed 80 percent AMI. This activity is an eligible activity under 2301(c)(3)(e). The program is administered by a Purchase and Resale Entity (PRE), a non-profit arm of SHRA. The PRE manages the project and uses contractors to rehabilitate the homes. The purchase price is determined by the lesser of the appraised value of the home after it's been renovated or the preset affordable sales price. There is an initial resale restriction which expires five years after the initial property transfer from SHRA to the homebuyer. Purchasers are required to complete a homebuyer counseling/education program through an approved homebuyer education organization. More information on the program is available at: <http://www.shra.org/Housing/HomesforSale/WelcomeHomeProgram.aspx>

Environmental Assessment:

COMPLETED



Environmental Reviews: None



Grantee Activity Number: 65-2410-4891 (SF) - VLI
Activity Title: PRP (SF) - VLI

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

C. Property Recycling Program

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

PRP (SF)

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,251,420.98

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,251,420.98

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
4	4		100.00
4	4		100.00

of Households

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Properties

Total

4

4

4

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 1,251,420.98



Location Description:

County NSP3 target areas including Neighborhoods 6798583, 4936950, 8664611 and 5484069.

Activity Description:

This program focuses on stabilizing neighborhoods through strategic investments and partnerships in target areas. Working with governmental, non-profit and for-profit partners, SHRA provides the inventory of properties and funding to remove blight associated with foreclosed and/or vacant properties through three programs including: 1) the rehabilitation of single family homes which are subsequently sold to very low-income households or 2) rehabilitation of multi-family rental properties or 3) demolition and land banking of properties that are severely dilapidated or that support a larger site assembly effort. Through this program SHRA acquires residential and/or vacant properties that are located within an approved NSP target area. Please see the other PRP activities for more information on #2 and #3.

Through an extensive and competitive RFQ process, SHRA formalized development partnerships for the rehabilitation and sale of homes with both traditional volume builders as well as community based non-profit organizations. SHRA disposes of properties to its development partners for rehabilitation based on SHRA's construction standards. The volume builders provide the financing for rehabilitation and SHRA provides a developer fee incentive upon completion of the sale of the property to an eligible household.

SHRA provides vacant and/or foreclosed housing units to development partners for rehabilitation and sale to income eligible families in this case 50% of area median income. Properties purchased through PRP are presumed "naturally affordable" based on the location and market conditions of the targeted areas per 24 CFR 92.254(a)(5)(i)(B). Homeowners must have completed HUD-approved homebuyer education counseling. Maximum sales prices may not exceed the total of acquisition, rehabilitation and disposition costs.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Grantee Activity Number: 656-478-4891 PRP (SF)
Activity Title: PRP (SF)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

C. Property Recycling Program

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Under Way

Project Title:

PRP (SF)

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 6,653,413.74

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 6,653,413.74

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
50		50	100.00
50		50	100.00

of Households

Proposed Accomplishments

of Singlefamily Units

Total

50

of Housing Units

50

of Properties

50

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Sacramento Housing and Redevelopment

Organization Type

Local Government

Proposed Budget

\$ 6,653,413.74

Location Description:

County NSP3 target areas including Neighborhoods 6798583, 4936950, 8664611 and 5484069.

Activity Description:

This program focuses on stabilizing neighborhoods through strategic investments and partnerships in target areas. Working with governmental, non-profit and for-profit partners, SHRA provides the inventory of properties and funding to remove blight associated with foreclosed and/or vacant properties through three programs including: 1) the rehabilitation of single family homes which are subsequently sold to very low-income households or 2) rehabilitation of multi-family rental properties or 3) demolition and land banking of properties that are severely dilapidated or that support a larger site assembly effort. Through this program SHRA acquires residential and/or vacant properties that are located within an approved NSP target area. Please see the other PRP activities for more information on #2 and #3.

Through an extensive and competitive RFQ process, SHRA formalized development partnerships for the rehabilitation and sale of homes with both traditional volume builders as well as community based non-profit organizations. SHRA disposes of properties to its development partners for rehabilitation based on SHRA's construction standards. The volume builders provide the financing for rehabilitation and SHRA provides a developer fee incentive upon completion of the sale of the property to an eligible household.

SHRA provides vacant and/or foreclosed housing units to development partners for rehabilitation and sale to income eligible families in this case 120% of area median income. Properties purchased through PRP are presumed "naturally affordable" based on the location and market conditions of the targeted areas per 24 CFR 92.254(a)(5)(i)(B). Homeowners must have completed HUD-approved homebuyer education counseling. Maximum sales prices may not exceed the total of acquisition, rehabilitation and disposition costs.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: D. Property Recycling Program / PRP (MF)

Grantee Activity Number: 656-478-4962 PRP (MF)
Activity Title: PRP (MF)

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

D. Property Recycling Program

Projected Start Date:

06/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:**Activity Status:**

Under Way

Project Title:

PRP (MF)

Projected End Date:

05/31/2014

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:**

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Total Budget: \$ 1,963,792.94

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,963,792.94

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	16	16		100.00
# of Households	16	16		100.00

Proposed Accomplishments

	Total
# of Multifamily Units	16
# of Housing Units	16
# ELI Households (0-30% AMI)	

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Sacramento Housing and Redevelopment

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Sacramento Housing and Redevelopment	Local Government	\$ 2,087,201.00

Location Description:

NSP3 eligible target areas, including Coral Cables (5107513), Norcade Circle (7436889) and The Avenues (5484069).

Activity Description:

This program focuses on stabilizing neighborhoods through strategic investments and partnerships in target areas. Working with governmental, non-profit and for-profit partners, SHRA provides the inventory of properties and funding to remove blight associated with foreclosed and/or vacant properties through three programs including: 1) the rehabilitation of single family homes which are subsequently sold to very low-income households or 2) rehabilitation of multi-family rental properties or 3) demolition and land banking of properties that are severely dilapidated or that support a larger site assembly effort. Through this program SHRA acquires residential and/or vacant properties that are located within an approved NSP target area. Please see the other PRP activities for more information on #1 and #3.

Rental units will include a long-term affordability covenant that restrict income and occupancy to families at or below 50% AMI, consistent with HOME rent standards and will be subject to additional affordability requirements of the SHRA Multi-family Lending and Mortgage Revenue Bond Policies or Investment Property Program. These restrictions will apply to the number of units proportionally assisted with NSP funding.

Existing properties that are vacant and/or foreclosed upon may be acquired by SHRA for disposition to a Rental Housing Developer. SHRA and its constituent entities may rehabilitate vacant rental properties and may return the property to SHRA rental inventory and its constituent entities. SHRA may also fund the rehabilitation of such

projects; however, a rental rehabilitation project must comply with all requirements of the SHRA MultiFamily Lending and Mortgage Revenue Bond Policies or Investment Property Program including management standards and resident service requirements. NSP rehabilitation standards will be used for the construction of the properties. NSP restrictions will be placed on the proportionate number of units funded with NSP money (e.g. if half of the project cost is funded with NSP, half of the units will be restricted by NSP). NSP units in rental properties must be affordable to families at or below 50% AMI. Properties may also be acquired and rehabilitated for long-term rental housing by the Housing Authority.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Action Plan Comments:

- Reviewer - AP approved without review to allow grantee to submit the next QPR on time.
- Reviewer - Marilee Hansen: Plan is rejected: Purchase and Resale activity might not be eligible. Grantee needs to provide more information in the descriptions. All activity locations and description need revision to be specific to the activity. Comments are imbedded in the PDF version of the plan which is attached to review checklist.
- Reviewer - 8/15/16 Marilee Hansen: AP rejected for grantee to revise activity descriptions. As they stand, they are too vague and do not completely describe the activity. A PDF version with comments imbedded is attached to the review checklist and also provided to the grantee.
- Reviewer - AP rejected for the same reasons as previous 2 submissions; working with grantee to describe activities in sufficient detail so that the average reader will understand what the activity is and how it is being carried out. The PDF version of the plan is attached to the review checklist with specific comments.

Action Plan History

Version	Date
B-11-UN-06-0004 AP#1	11/17/2011
B-11-UN-06-0004 AP#2	01/13/2012
B-11-UN-06-0004 AP#3	04/03/2012
B-11-UN-06-0004 AP#4	11/06/2012
B-11-UN-06-0004 AP#5	12/19/2012
B-11-UN-06-0004 AP#6	04/08/2013
B-11-UN-06-0004 AP#7	06/28/2013
B-11-UN-06-0004 AP#8	10/18/2013
B-11-UN-06-0004 AP#9	02/12/2014
B-11-UN-06-0004 AP#10	06/18/2014
B-11-UN-06-0004 AP#11	07/02/2014
B-11-UN-06-0004 AP#12	07/28/2014
B-11-UN-06-0004 AP#13	10/30/2014
B-11-UN-06-0004 AP#14	01/27/2015
B-11-UN-06-0004 AP#15	07/22/2015
B-11-UN-06-0004 AP#16	10/21/2015
B-11-UN-06-0004 AP#17	01/27/2016
B-11-UN-06-0004 AP#18	10/17/2016
B-11-UN-06-0004 AP#19	04/24/2018

