



Affordable Housing Near & Far Sacramento County and the Region

For over 1-1/2 years, community groups have been working in Sacramento County to develop an affordable housing program to provide that 15% of new housing be made affordable to extremely low, very low and low income families in equal proportions (5-5-5). Over the same period, the Sacramento Area Council of Governments has been working on a voluntary compact to further efforts by jurisdictions throughout the region to adopt concrete goals for affordable housing production. A jurisdiction that chooses to participate agrees that at least 10% of all new housing construction would be made affordable according to the following:

- 4 percent for very low income families
- 4 percent for low income families
- 2 percent could be housing affordable for moderate incomes

The standard may be satisfied through new construction or substantial rehabilitation of existing housing, must be regulated as affordable, and may be instituted at the discretion of the jurisdiction. There are many places in the region where this standard would be a major improvement over historic production. Although a small step, it is in the right direction.

Inclusionary Policies

We're Not Alone...

By a 15 to 0 vote, the Los Angeles City Council began the adoption process of an inclusionary zoning ordinance that would mandate affordable units and offer incentives to developers. Developers of projects with at least five units would receive benefits such as density bonuses, reduced parking requirements, building permit and fee deferments, and reductions in other restrictions, in exchange for including a percentage of units for very low, lower, and moderate income households. They also could build the inclusionary units separate from the market units in certain circumstances, or pay an in-lieu fee.

The proposed ordinance would require developers to set aside 12% of the units in their projects for low-income households, or 10% of units to participants in Section 8. In addition, developers of five or more condominiums and single-family houses would be required to set aside from 20% to 40% of the units for below-market buyers. The proposal has an expedited permit processing component providing that if the city fails to act on an inclusionary application within 180 days from the date an application is deemed complete, the request will automatically be approved.

The proposed ordinance is sponsored and supported by the Los Angeles Inclusionary Zoning Coalition, consisting of 64 organizations throughout the city, including labor unions, tenants groups and housing advocates, although they originally sought a 20% set-aside and are concerned about some of the developer benefits. It is opposed by the local Building Industry Association and some business organizations, who refer to the proposal as "draconian".

"Making It Work" on the Web

Citibank Sponsorship Puts Inclusionary Resource Guide on the Internet

Following the successful symposium, "Inclusionary Housing: Making it Work!," SHA will be making the entire resource guide available on the World Wide Web. Based on the feedback we received from participants at the Symposium, it is clear that up-to-date information on the programs designed to provide affordable housing is valuable.

A quality website will give developers, Realtors®, jurisdictions and community members a single resource to identify the different inclusionary housing programs throughout the Sacramento region and assess the various requirements. Linked to the SHA website www.sachousingalliance.org, the site will provide updated versions of inclusionary programs from throughout the region. We will build links to community partners familiar with producing housing in jurisdictions with inclusionary programs.

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PRESIDENT'S CORNER

John Foley

I am reading the apartment ads in the Sacramento Bee, the ones under the heading "Weekend Specials", and I find myself shaking my head at the prices of these specials. The one bedroom rents start at \$625, and go up from there. I know that good credit, an income over twice the monthly rental amount, and a rental history with no evictions are requirements with just about all of the companies that manage these units. What is a poor person to do?

Just this morning I spoke with a young woman who works part-time at Blockbuster (maybe you rented a video from her last weekend) but now has to move out from sharing an apartment with her sister's family and cannot begin to afford a place. A young man who I spoke with a few minutes ago works for a restaurant supply warehouse in Rancho Cordova where he is paid \$500 a month on the books, and cash of \$500 off the books, and is trying to save money to share a place by sleeping in someone's car.

As long as our economy has people working with these incomes, there will be serious social problems, notably homelessness and people not stably housed. If people could be brought up to a real living wage it would give them the power to make housing choices with their own money. Until then, some expanded form of housing subsidy is needed throughout our region. Public housing projects are no longer being built, so subsidized affordable housing is the main way new units can be brought on line for the poor.

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SUBSTANDARD HOUSING TASK FORCE ISSUES PROPOSALS TO SHRA, PUBLIC

In response to the substandard housing crimes committed in 2002-03 by Oak Park landlord James Wheeler, SHRA appointed a "Task Force on Substandard Single Family Rental Housing" to study financial industry practices which allowed landlords to purchase and refinance rental homes and, while allowing them to deteriorate, spend refinance funds for additional substandard homes.

The Task Force studied mortgage market economics and practices, appraisal practices, the limited role of the state in mortgage practices, and code enforcement. On March 17, the Task Force reported back to the SHRA Commission with four general recommendations. These were accepted by the Commission, which is forwarding them to the Sacramento City Council and the Board of Supervisors for review and action.

Recommendations

One recommendation was to support a new proposed state law to limit the amount of equity (funds in excess of prior loans or liens) that can be taken out by a purchaser or refiner of rental residential property without correcting notice and recorded code violations.

Another was that the City and County should consider a housing condition inspection program for rental housing, including single-family units, at the point of sale or transfer of a property. This is similar to a current City of Davis program, and results in repairs of code violations before sale is complete.

A third recommendation was to ensure that "as-is" appraisals accurately report all observable physical defects in single-family rental properties at the time of sales or refinancing.

The final recommendation, which generated the most discussion and public comment, was that the City and county should consider adopting a "proactive" code enforcement program for rental housing, including single-family structures (one-four units, attached and detached). This program would inspect to current state code standards, would involve the recording of Notices and Orders at the earliest possible time, would prohibit sales of property while code notices are outstanding or unresolved, would charge a general inspection fee for all landlords in the jurisdiction, would prioritize "low and moderate income census tracts", and would increase penalties for owners of multiple substandard properties.

SHA Concerns

SHA's oral and written testimony focused on several issues, essentially expressing concern that there was no overall context to the proposals which, themselves, could be abused, be harmful to low and moderate income renters, or violate housing element goals of preserving decent and affordable housing. Overall, though, we were supportive of the specific recommendations, particularly those regarding protections seeking to tighten banking regulations. The Wheeler practice represents a threat to lower income renters who have few choices in Sacramento's tight rental market.

The first issue was objecting to the focus on "lower income" neighborhoods. Lower income persons are the victims, not the perpetrators, of code violations, and the ordinance should focus on areas with deteriorating housing, where there are disincentives to adequate maintenance, and where known slumlords operate.

SHA supported the concept of what SHRA called "holistic" inspections of entire homes, rather than just items in complaints, but urged that code enforcement be a "holistic program" and use all available local resources, including health, fire, police, waste disposal, planning, and neighborhood groups to address neighborhood blight.

SHA urged that the Commission ensure that the context of increased proactive code enforcement be accompanied by a priority of preservation and repair, not demolition. Too often, repairable housing is demolished to resolve violations not being repaired by the owner. Repaired existing housing is both more affordable to renters and less expensive to owners or SHRA than funds being spent currently in boutique downtown projects. Repairs also avoid blighted empty lots and lost property taxes.

Another concern was that the code enforcement program must be sensitive to renters by ensuring that relocation resources were available in the event of displacement, that landlords be prosecuted to pay or repay those costs, and that education programs and inspections involve bilingual personnel to encourage understanding and trust.

A fifth context issue was to ensure that the code enforcement efforts were based on neighborhood improvement, not just individual buildings or landlords. Revitalization and preservation are less expensive for the public as well as more beneficial to careful property owners and rentals.

The funding mechanism, fees to landlords, as the primary source of income, creates concern because the cost of the program will be passed through to renters wherever possible by landlords. SHA believes that a proactive, interdisciplinary, neighborhood-based code enforcement program is a benefit to the entire community, and thus the costs should be borne, at least eventually, by all property owners who will see their property values increase when blighted homes and lots are eliminated.

PRESIDENT'S CORNER

CONTINUED FROM PAGE ONE

SHA encourages every community to develop rental housing so that people who live and work in a community can afford to rent there. Where new construction is expanding the borders of the community, a percentage of the new units should be subsidized so they will be permanently affordable. An inclusionary policy such as Sacramento County is currently considering, which requires 15% of units to be affordable, 1/3 to low income, 1/3 to very low income and 1/3 to extremely low income, would help. In the built-out urban areas of our region, building affordable units with in-fill projects that ensure extremely low income people can rent would be a big improvement over gentrification.

A pro-active policy that encourages and monitors shared living arrangements, which would be something like fraternity houses, would probably help for low-wage workers and people on fixed incomes. Many such arrangements spring up on their own, and it would behoove each community to have a fair share of such housing, and set reasonable standards.

These, and other creative housing efforts, are necessary responses to the housing crisis facing low-wage workers in the Sacramento area. When we also factor in people who receive Social Security income of less than \$800 per month, the number of people involved may be over 100,000.

The Housing Alliance seeks to have the Sacramento County policy become a benchmark for the region, with provision for housing for extremely low-income wage earners and people with disabilities on low fixed incomes. We need to make sure the members of the Board of Supervisors understand the importance of these issues, and will support it when the 15%, 5-5-5 policy comes before them in June. Please contact our office at 442-1198 to be involved.



every Wed:
7:30 a.m.

The SHA Affordable Housing Coffee Hour has become a meeting ground for community residents to discuss affordable housing, homeless issues, housing policy, activism, etc. Come on in on your way to work and have a cup-o-joe or iced tea in one of the many locally owned and operated coffee houses throughout the Sacramento Area. See you there!

Schedule

7:30 am <u>May</u>	7:30 am <u>June</u>
5 th Luna's Cafe 1414 16 th St.	2 nd Luna's Cafe 1414 16 th St.
12 th Coffee Works 3418 Folsom Blvd	9 th Coffee Works 3418 Folsom Blvd
19 th Naked Lounge 15 th & Q	16 th Naked Lounge 15 th & Q
26 th Weatherstone 812- 21 st Street	23 rd Weatherstone 812- 21 st Street
	30 th Java City 1800 Capitol Ave

PEACE & SUSTAINABILITY POTLUCK

SUNDAY, MAY 2, 2004, 4:30-8PM
UNITARIAN UNIVERSALIST SOCIETY
2425 SIERRA BLVD, SACRAMENTO.

FOR MORE INFORMATION: 916-448-7157 OR 916-444-1215
OR EMAIL SYPEACEACT@JPS.NET

BRING A DISH TO SHARE & YOUR OWN PLATE/UTENSILS.

What is sustainability?
Sustainability is achieved when we understand the economic, environmental, and social consequences of our actions and make intentional and deliberate choices that allow everyone to lead healthy, vibrant and peaceful lives, while reducing the impact of our footprint on the planet.



Thank you for your Support

Individual Efforts

Over the last few months we had a significant show of support from many special individuals. The joy of the working with the Sacramento Housing Alliance is in the wonderful people who come together to make housing opportunities possible for all in our community. When you come to our office, you may get the feeling that you are feeling good about where you are sitting. That is because Congress member Robert Matsui donated a set of office chairs to the Sacramento Housing Alliance. While you are admiring the seat and enjoying a cup of coffee, you will notice the wonderful kitchenware donated by Linda Roberts and Reggie Nelson. Joan Burke added charm with a precious flower.

**CONGRESS MEMBER ROBERT MATSUI
REGGIE NELSON**

**LINDA ROBERTS
JOAN BURKE**

Since the beginning of the year, SHA has been developing a strategic plan to direct our organizational efforts. Many of you provided feedback on our community survey. Your time provided us the data to move forward productively. In addition to Patti Uplinger on our Boar, it was Daniel Glaze, a professional strategic plan consultant and executive coach, who provided the expertise and leadership to bring us to focused planning.

PATTI UPLINGER

DAN GLAZE

Foundation Efforts

Our work to educate the community and pursue enhanced housing opportunities for lower income households could not be accomplished without the financial support of major donors. In addition to membership dues and personal donations, we recieved a gift from the Eaton Kenyon Fund and a grant from Washington Mutual. The gift through the Sacramento Region Community Foundation illustrates the new groups supporting our work. The WAMU grant is a continued commitment by them to the housing needs of lower income residents and communities. These two gifts represent great news for affordable housing in the Sacramento area and SHA as support grows from new sources and remains strong from established partners

**THE EATON KENYON FUND OF THE SACRAMENTO REGION COMMUNITY FOUNDATION
WASHINGTON MUTUAL**



YOLO COUNTY HOSTS HOMELESSNESS SUMMIT

The Yolo County Homeless Coalition, developed in 1988 for organizations involved in serving the homeless, held a Homeless Summit on March 31, 2004. Participants included people experiencing homelessness, service providers (food banks, drug and alcohol abuse prevention, etc.), community churches, city council and county board of supervisor representatives and HUD representatives. Through discussion of the County's detailed survey of homeless residents and the December 5, 2003 countywide point-in-time count, participants considered the services available and accessed in Yolo County and determined priorities for future assistance.

Most striking from the survey of homeless individuals and families was that more than 90% stated that they have lived in Yolo County for three or more years.

Community input was crafted into several goals. Given current budget considerations, the highest priority was to at least maintain current service levels. In addition, the development of new affordable housing and development of a crisis support system were discussed.

BUSH ADMINISTRATION SEEKS MASSIVE CUTS TO SECTION 8 PROGRAM

WOULD BE LARGEST CUT TO LOW-INCOME PROGRAM SINCE 1980s

President Bush's proposed cuts to the nation's main low-income housing assistance program could result in the displacement of hundreds of thousands of families throughout the country. Each of the more than 2,500 state and local housing agencies that run the housing voucher program would be forced to reduce assistance by about 30 percent by 2009. Bush proposes cuts to the voucher program of more than \$1.6 billion in 2005, rising to \$4.6 billion by 2009.

The voucher program currently assists about two million low-income families with children, seniors, and people with disabilities. The cuts would force agencies to either drop families from the program, serving fewer clients, or charge higher rents to families who already hold vouchers. Without the housing voucher program, the neediest families and elderly in Sacramento and the nation are at risk of becoming homeless.

Please call your Senator and Congress member to voice your opinion about the proposed housing voucher cuts at the numbers provided by SHA at the bottom of this article.

For more information regarding President Bush's threats to the housing voucher program please go to

<http://www.cbpp.org/3-17-04hous-pr.htm>

Housing Agency	Number of Vouchers as of July 2003	Impact of Proposed Cuts in 2005		Impact of Proposed Cuts in 2009	
		Number of families cut if vouchers are eliminate	Increase annual rent paid if subsidy level is lowered	Number of families cut if vouchers are eliminated	Increase annual rent paid if subsidy level is lowered
Sac City	5,533	671	\$902	1,610	\$2,346
Sac County	5,370	651	\$964	1,562	\$2,507

*Source: Center on Budget and Policy Priorities

Senator Dianne Feinstein: <http://feinstein.senate.gov/email.html>

Senator Barbara Boxer: <http://boxer.senate.gov/contact/webform.cfm>

Representative Robert Matsui: <http://www.house.gov/matsui/contact.html>

INCLUSIONARY WEBSITE

CONTINUED FROM PAGE ONE

The valuable tool will include:

Introduction page: The cover would explain this partnership and the purpose of the guide. This page will serve as a portal to five valuable resource sites.

- 1) **The Resource Guide:** The "Inclusionary Housing: Making it Work" resource guide will be updated and converted to a generally accepted format (such as Adobe) and posted in its entirety on the website. The electronic posting will allow those who have binders to easily print updated sections and replace out-of-date information in their binders. Others may download or print the entire document to assist them in their work.
- 2) **Symposium Presentations:** The presentation, "Economics of Inclusionary" by Walter Kieser, was a highlight of the symposium. It includes the methodology for analyzing the feasibility of an inclusionary program in Napa County. The material provides a formula for conducting economic analysis for individual projects in various jurisdictions.
- 3) **Success Stories:** There are projects that have been approved and constructed throughout the region. This space provides visitor the opportunity to see what works.
- 4) **Community Outreach:** Feedback from the symposium reinforced the need to have thorough information and quality resources to combat negative stereotypes and NIMBY opposition. This page will provide Anti-NIMBY resources, facts, photos and an affordable housing "glossary of terms." In addition, groups will be able to register to have trained speakers present information about affordable housing to their group, organization, association or club.
- 5) **Funding Possibilities:** Developers, community development corporations and local housing authorities will be able to link directly to a variety of funding resources including Citibank's community development center.

FULL MEMBERS

Breaking Barriers
 CA Coalition for Rural Housing
 Chicano Consortium
 Community Housing Opportunities Corporation
 Congress of California Seniors
 Gray Panthers
 Housing Now
 Jon Berkley Management
 League of Latin American Citizens
 Loaves & Fishes
 Mercy Housing California
 Nehemiah Corporation of CA
 Pacific Housing
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 Sacramento Area Emergency Housing Center
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 Sacramento Homeless Organizing Committee
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 Sacramento Self Help Housing
 Training Towards Self-Reliance
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Ethan J. Evans
 Executive Director, Sacramento Housing Alliance

ASSOCIATE MEMBERS

AF Evans Company
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 Bi-Valley Medical Clinic
 CADA
 CA Foundation for Independent Living Centers
 CA Housing Finance Agency
 CA Housing Partnership Corporation
 The City of Citrus Heights
 The City of Sacramento
 Community Economics
 Consumer Credit Counseling Services
 Corporation for Supportive Housing
 El Hogar, Inc.
 FannieMae
 Francis House
 Gubb & Barshay
 Housing California
 John Stewart Company
 J.M. Resources
 Lutheran Social Services
 MAAP, Inc.
 M.E. Shay & Company
 Mogavero Notestine & Associates
 My Home: Opportunities in Supported Living, LLC
 National Analytical Laboratories, Inc.
 Older Women's League
 Parsons Brinckerhof
 Renee Franken & Associates, Inc.
 Sacramento Central Labor Council
 Sacramento County Department of Human Assistance
 Sacramento Cottage Housing
 Sacramento Human Rights & Fair Housing
 Sacramento Neighborhood Housing Services
 Sacramento Transportation Equity Network
 Sacramento Veterans Resource Center
 Shimotsu Architecture
 St. Anton Partners
 St. Johns Shelter
 St. Mark's Mission in Action
 Sunseri Construction
 Transitional Living & Community Support
 Treasure Homes
 Turning Point Community Programs
 USA Properties Fund, Inc.
 Walsh & Forster
 Western Center on Law and Poverty
 Whisler Land Company
 Why Not? Community Housing Corp.



WANT TO BE KEPT INFORMED ABOUT
 IMPORTANT ADVOCACY ISSUES? SIGN UP
 FOR THE SHA EMAIL ALERT BY CALLING
 442-1198 OR EMAILING
 SHA@TOMATOWEB.COM

THANK YOU SUPPORTERS

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 G.R. Schermerhorn
 Peter Schlocker
 Julie Snyder
 Patti Uplinger
 Janet Vining
 Theodore Webb
 Cathleen Williams

2003 FINANCIAL STATEMENTS

INCOME

Affordable Housing Education	\$15,000.00
Corporate Donors	\$20,000.00
Individual Donations	\$13,659.85
Organizational Members	\$16,786.00
Other Income	\$998.37
Special Events	\$22,360.40
<u>Workshops</u>	<u>\$35,000.00</u>
Total	\$123,804.62

EXPENSES

Administration	\$8,697.58	9%
Fundraising	\$9,229.76	9%
Programs	\$82,594.05	82%

2003 SUMMARY

Total Income	\$123,804.62
Total Expenses	\$100,521.39
Balance	\$23,283.23

2001 SUMMARY

2002 SUMMARY

Total Income	\$76,952.81	Total Income	\$ 81,075.28
Total Expenses	\$63,841.73	Total Expenses	\$ 72,788.88
Balance	\$13,111.08	Balance	\$ 8,286.40

YES! I want to support SHA!

- Full Membership: 0.1% (point one percent = budget x .001) of agency budget, \$175 minimum. Full members can be nominated to have a representative on the Board of Directors.
- Associate Membership: \$125 or more, \$50 for agencies with a budget under \$100,000.
- Individual Membership: \$35 and up, \$15 low income.
- I cannot join, but would like to support SHA activities.

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 Address: _____ City _____ State _____ Zip _____
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FREE Homeownership Fair 2004

▶ Saturday, June 12, 2004 • Rusch Park, Roseville

"Opening the Doors to Homeownership"



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The Sacramento Regional Partners for National Homeownership Month 2004 are actively participating in hosting the "Opening the Doors to Homeownership in Sacramento" Fair Saturday, June 12, 2004 from 9:00 a.m. to 3:00 p.m. Rusch Park Auditorium • 7801 Auburn Blvd., Citrus Heights.

Partners include:

The County of Sacramento
Assemblymember Darrell Steinberg
California Depart of Veteran's Affairs
Cal Vet Home Loan Program
City of Citrus Heights
City of Sacramento
Congressman Robert T. Matsui

Countrywide Home Loans
Fannie Mae-Central Valley Partnership Office
The Home Loan Counseling
Center of Sacramento
River City Bank
Sacramento Association of REALTORS®
Sacramento Commercial Bank, a division of
Placer Sierra Bank

Sacramento Credit Union
Sacramento Department of Human Assistance
Sacramento Housing Alliance
Sacramento Housing and Redevelopment Agency
Sacramento Neighborhood Housing Services
Sacramento Realist Association
U.S. Department of Housing and Urban
Development - Sacramento

To receive this in large print call (916) 442-1198.

Sacramento Housing Alliance

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● Substandard Housing Task Force recommendations

● Major cuts proposed for Housing Choice Vouchers

● Inclusionary Website

● Annual Report

Help us update our mailing list

If the addressee is not you, please email or call sha@tomatoweb.com or (916)-442-1198