

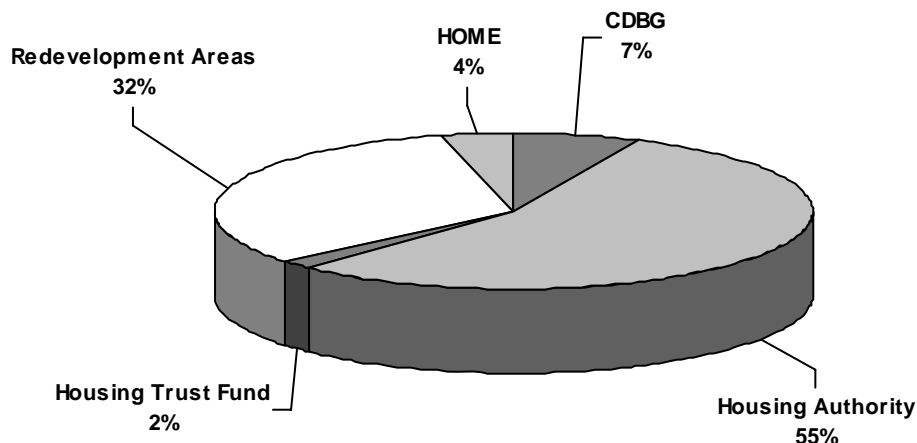
INTRODUCTION

The Sacramento Housing and Redevelopment Agency (SHRA) is a joint City and County agency that serves as the Redevelopment Agency and Housing Authority for both jurisdictions. SHRA is responsible for implementing Redevelopment Plans in the 65th Street, Alkali Flat, Army Depot, Del Paso Heights, North Sacramento and Oak Park redevelopment project areas, as well as the City/County shared Auburn Boulevard, Franklin Boulevard and Stockton Boulevard project areas. The City manages the Merged Downtown and Richards/Railyards project areas. SHRA also administers the Community Development Block Grant (CDBG) program, Home Investment Partnerships (HOME) program and Low-Income Housing Trust Fund (HTF) on behalf of the City and County of Sacramento.

This is the ninth year for SHRA projects to be included in the City's Capital Improvement Program (CIP) budget. As part of an ongoing collaborative effort to more efficiently use scarce resources, the capital projects of SHRA are included in this document so that a full picture of all CIP projects can be presented. Because the citywide priorities and targeted SHRA priorities are aligned, some redevelopment Tax Increment (TI) and CDBG funded projects are also found in other sections of this document.

SHRA utilizes two primary funding sources to carry out capital improvement projects: CDBG funds and TI funds or bond proceeds therefrom. HOME, HTF and Housing Authority operational funding are restricted to housing activities and thus are not included in the CIP.

**SHRA Revenue Sources
2006 Calendar Year Budget**



The CDBG capital improvement projects and programs must improve and enhance the livability of low/moderate income neighborhoods throughout the City. These projects can be classified in four main categories: residential street improvements, commercial strip improvements, park and recreation improvements and buildings for neighborhood activities. Redevelopment TI funds and bond proceeds are primarily invested in economic development and commercial revitalization activities (including public infrastructure) within the designated boundaries of the adopted redevelopment plan. While not the primary objective, TI and bond proceeds may also be invested in buildings and spaces for neighborhood activities. In addition 20 percent of available TI funding must be invested in affordable housing activities. Should the



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State's FY2006/07 budget include the Governor's proposed Educational Revenue Augmentation Fund (ERAF) shift from redevelopment agencies, the future use of TI funding may be limited. In addition, the Federal budget also is proposing to drastically reduce CDBG funding in 2006, so future use of these funds may be limited as well.

SHRA's budget is set on a calendar year basis. Projects previously approved by the Mayor and City Council as part of the SHRA's 2006 budget are included in this CIP budget as year one funding in the five-year CIP. Due to the uncertainty of funding for future CDBG projects and the effort currently underway to revise the City's 5-year Consolidated Plan, which may change how CDBG funds are disbursed, future year projections will not be included in this year's SHRA section of the CIP.

The following table shows a summary of all 2006 project and program funding appropriations.

**SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
2006 PROJECTS AND PROGRAMS**

	City	County	Joint	Total
Capital Project	3,303,990	2,891,689	0	6,195,679
Economic Development	3,217,249	2,899,987	3,425,920	9,543,156
Housing	18,406,202	14,139,616	1,019,016	33,564,834
Public Services	492,217	172,733	0	664,950
Planning & Administration	250,000	100,000	0	350,000
Equipment	0	0	0	0
Total	\$ 25,669,658	\$ 20,204,025	\$ 4,444,936	\$ 50,318,619

Since this document is a Capital Improvement Budget, only project details on City and joint City/County Capital projects are included. However, as shown on the above chart, SHRA is involved with many other types of projects as well. A brief description of these activities is as follows:

Housing: Some major efforts in the housing area include improvements to the SHRA's public housing units, housing developers' assistance, rehabilitation programs for privately owned low/moderate income housing units, code enforcement and down payment assistance to first-time homebuyers of low/moderate income housing.

Public service: Public service projects are varied. They include activities such as the City's Workrecreation program, Phoenix Park Resource Center, Lemon Hill Skill Center, the Intel Kids Club and Infoline Sacramento.

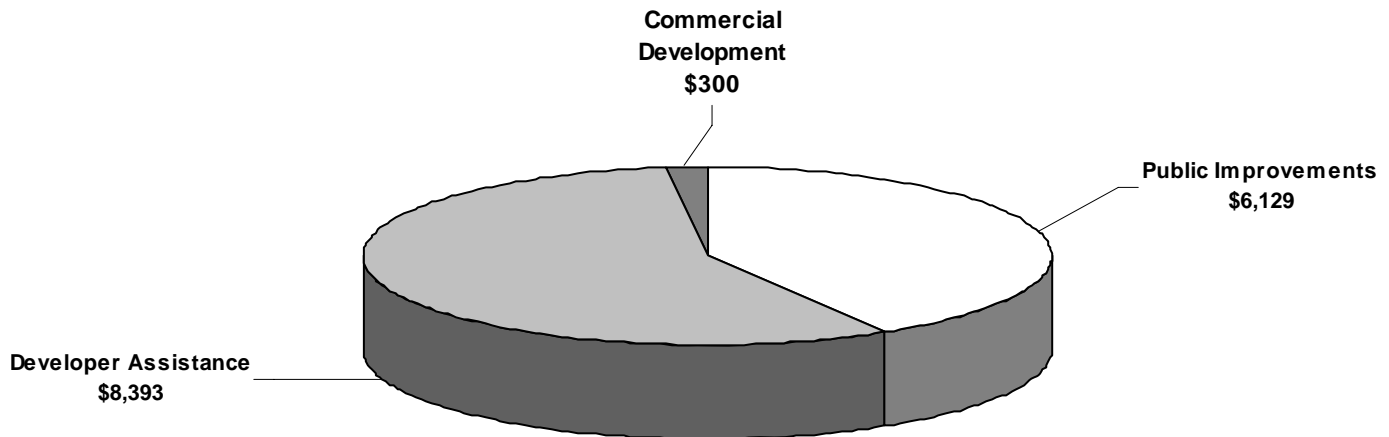
Economic Development: SHRA also has many projects in the arena of economic development. Project categories include loan programs, incentive programs for new businesses and underwriting/coordinating assistance to small businesses.



**Capital Improvement Projects
Sacramento Housing and Redevelopment Agency
2006 Calendar Year Budgeted Projects**

(in 000's)

Total \$14,822



The SHRA 2006 calendar year project budget funding is \$14,822,806. Projects located within the unincorporated County account for \$5.4 million of this amount and are not discussed in the City's CIP. The total also includes projects totaling \$2.8 million which are managed by the City's Downtown and Economic Development Departments. These projects are listed in other sections of this document. The projects included in SHRA's section of the CIP total approximately \$6.6 million dollars.

REDEVELOPMENT

Program Goals

- Revitalization of older commercial corridors
- Promotion of new and continuing private sector investment
- Retention and expansion of businesses
- Creation and development of local job opportunities
- Rehabilitation and construction of affordable housing
- Achievement of high level architectural, landscape, urban design and land use principles
- Elimination of environmental deficiencies within the public infrastructure system
- Elimination and prevention of the spread of blight and deterioration

Project Selection Criteria

- Compliance with adopted five-year redevelopment area implementation plans
- Compliance with adopted five-year investment strategies
- Compliance with urban design plans



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- Return on investment - tax base, jobs and community improvements
- Economic viability of project
- Leverage of private capital

SHRA budgets for redevelopment capital projects by designating dollars for specific projects and also by designating dollars for “development assistance”. This latter category is available for commercial projects as they are identified, negotiated and approved. Generally, the staff report process is used to transfer appropriations from “development assistance” to a specific project.

The following tables show the project appropriations by funding sources for SHRA:

2006-2011 Capital Improvement Program SHRA Tax Increment - Alkali Flat (Fund 986)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
605C	Alkali Flat Development Assistance	253,000	0	0	0	0
Total		\$253,000	0	0	0	0

2006-2011 Capital Improvement Program SHRA Tax Increment – Franklin Boulevard (Fund 987)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
608C	Franklin Boulevard Development Assistance	1,075,000	0	0	0	0
Total		\$1,075,000	0	0	0	0

2006-2011 Capital Improvement Program SHRA Tax Increment – Stockton Boulevard (Fund 990)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
609C	Stockton Boulevard Development Assistance	1,145,000	0	0	0	0
Total		\$1,145,000	0	0	0	0

2006-2011 Capital Improvement Program SHRA Tax Increment – Oak Park (Fund 989)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
606C	Oak Park Development Assistance	1,149,000	0	0	0	0
Total		\$1,149,000	0	0	0	0



2006-2011 CAPITAL IMPROVEMENT PROGRAM

2006-2011 Capital Improvement Program SHRA Tax Increment – North Sacramento (Fund 988)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
607C	North Sacramento Development Assistance	833,000	0	0	0	0
Total		\$833,000	0	0	0	0

2006-2011 Capital Improvement Program (\$000) SHRA Tax Increment – Auburn Boulevard (Fund 993)						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
610C	Auburn Boulevard Development Assistance	205,000	0	0	0	0
Total		\$205,000	0	0	0	0

COMMUNITY DEVELOPMENT BLOCK GRANT

Program Goals

- Construct and improve infrastructure in low/moderate income areas
- Improve and enhance the livability of low/moderate income neighborhoods
- Expand economic opportunities
- Provide decent housing and a suitable living environment
- Eliminate slums and blight

Project Selection Criteria

- Compliance with adopted five-year consolidated plan
- Improve the social fabric of the community
- Improve the physical condition of the community
- Serve children and families
- Strong neighborhood (volunteer) support
- Ready to commence immediately and to be completed within 18 months

The CDBG Capital Improvement Program includes projects and programs that improve and enhance the livability of low/moderate income neighborhoods throughout the City. The projects can be classified in four main categories: residential street improvements, commercial strip improvements, park and recreation improvements and buildings for neighborhood activities. As the Federal Government is proposing to drastically reduce future CDBG funding, only projects approved by the City Council and Housing and Urban Development (HUD) are included in this document.



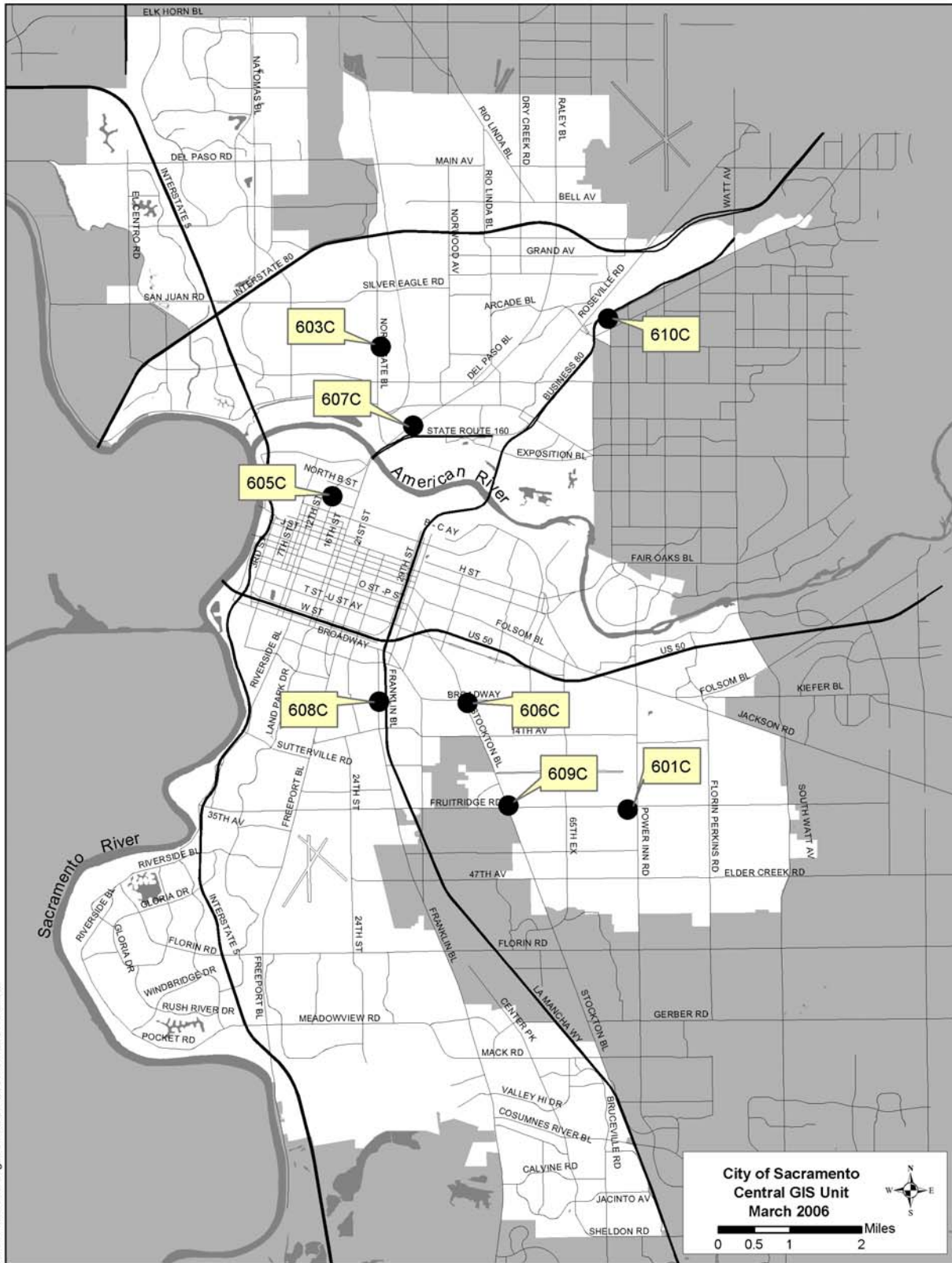
2006-2011 CAPITAL IMPROVEMENT PROGRAM

2006-2011 Capital Improvement Program SHRA - CDBG						
Project #	Title	Budget				
		2006	2007	2008	2009	2010
601C	Max Baer Park/Warren School Park	300,000	0	0	0	0
602C	Neighborhood Enhancement Program	1,059,000				
603C	Gardenland Park Basketball Ct. Impr	25,000				
604C	Muir Park Improvements	435,000				
Total		\$1,819,000	0	0	0	0

Note: (1) Some projects shown in calendar year 2006 are included as a FY2006/07 project in the Transportation and Parks department sections of this document.



2006-2011 CAPITAL IMPROVEMENT PROGRAM



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2006-2011 CAPITAL IMPROVEMENT PROGRAM

MAX BAER PARK, WARREN SCHOOL PARK

Project Description Fund allocation for park improvement projects within low income areas of district six.
Project Objectives Upgrade infrastructure in area.
Existing Situation Lack of public improvements in area.
Operating Budget Impact N/A
FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
983	SHRA - CDBG	\$0	\$0	\$300,525	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$300,525	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$300,525						
	Total Funding	\$300,525						
FY	2006/07 Funding	\$300,525						



Council District 6
Neighborhood Area 2
Planning Area 9
Project Location Max Baer Park (34th Avenue And Wilkinson Street),
 Warren School Park (73rd Street & Fruitridge Road)

Project Number **601C**

NEIGHBORHOOD ENHANCEMENT PROGRAM

Project Description Fund allocation for neighborhood enhancement project within low income areas Citywide.
Project Objectives Upgrade infrastructure in area.
Existing Situation Lack of public improvements in area.
Operating Budget Impact N/A
FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
983	SHRA - CDBG	\$0	\$0	\$1,059,650	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$1,059,650	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$1,059,650						
	Total Funding	\$1,059,650						
FY	2006/07 Funding	\$1,059,650						



Council District All
Neighborhood Area All
Planning Area All
Project Location Citywide

Project Number 602C

GARDENLAND PARK BASKETBALL IMPROVEMENTS

Project Description Resurfacing of basketball court at Gardenland Park.

Project Objectives Improve facilities and amenities.

Existing Situation Inadequate facilities.

Operating Budget Impact N/A

FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
983	SHRA - CDBG	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$25,000						
	Total Funding	\$25,000						
FY	2006/07 Funding	\$25,000						



Council District 1
Neighborhood Area 1
Planning Area 1
Project Location District 1 - Bowman Avenue

Project Number 603C

ALKALI FLAT DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction.

Project Objectives Provides incentives for new development and helps create jobs.

Existing Situation Blighted land and buildings on commercial corridors.

Operating Budget Impact N/A

FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
986	TAX INC. - ALKALI FLAT	\$0	\$0	\$253,357	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$253,357	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$253,357						
	Total Funding	\$253,357						
FY	2006/07 Funding	\$253,357						



Council District 1
Neighborhood Area 1
Planning Area 1
Project Location Alkali Flat Redevelopment Project Area

Project Number **605C**

OAK PARK DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction.

Project Objectives Provides incentives for new development and helps create jobs.

Existing Situation Blighted land and buildings on commercial corridors.

Operating Budget Impact N/A

FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
989	TAX INC. - OAK PARK	\$0	\$0	\$1,149,234	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$1,149,234	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$1,149,234						
	Total Funding	\$1,149,234						
FY	2006/07 Funding	\$1,149,234						



Council District 5
Neighborhood Area 3
Planning Area 5
Project Location Oak Park Redevelopment Project Area

Project Number 606C

NORTH SACRAMENTO DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction.
Project Objectives Provides incentives for new development and helps create jobs.
Existing Situation Blighted land and buildings on commercial corridors.
Operating Budget Impact N/A
FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
988	TAX INC. - NORTH SACRAMENTO	\$0	\$0	\$833,057	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$833,057	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$833,057						
	Total Funding	\$833,057						
FY	2006/07 Funding	\$833,057						



Council District 2
Neighborhood Area 4
Planning Area 8
Project Location North Sacramento Redevelopment Project Area

Project Number **607C**

FRANKLIN BLVD. DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction
Project Objectives Provides incentives for new development and helps create jobs.
Existing Situation Blighted land and buildings on commercial corridors.
Operating Budget Impact N/A
FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
987	TAX INC. - FRANKLIN BLVD.	\$0	\$0	\$1,075,062	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$1,075,062	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$1,075,062						
	Total Funding	\$1,075,062						
FY	2006/07 Funding	\$1,075,062						



Council District 5
Neighborhood Area 3
Planning Area 11
Project Location Franklin Blvd. Redevelopment Project Area

Project Number 608C

STOCKTON BLVD. DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction
Project Objectives Provides incentives for new development and helps create jobs.
Existing Situation Blighted land and buildings on commercial corridors.
Operating Budget Impact N/A
FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
990	TAX INC. - STOCKTON BLVD.	\$0	\$0	\$1,145,362	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$1,145,362	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$1,145,362						
	Total Funding	\$1,145,362						
FY	2006/07 Funding	\$1,145,362						



Council District 5
Neighborhood Area 3
Planning Area 6
Project Location Stockton Blvd. Redevelopment Project Area

Project Number 609C

AUBURN BLVD. RDA DEVELOPMENT ASSISTANCE

Project Description The funds will be used for gap financing for commercial expansion, rehabilitation or new construction.

Project Objectives Provides incentives for new development and helps create jobs.

Existing Situation Blighted land and buildings on commercial corridors.

Operating Budget Impact N/A

FY Initiated 2006

Fund	Fund Source	Budget through	Est Balance	2006/07	2007/08	2008/09	2009/10	2010/11
		6/2006	6/2006					
993	TAX INC. - AUBURN BLVD.	\$0	\$0	\$205,496	\$0	\$0	\$0	\$0
	This Project Total	\$0	\$0	\$205,496	\$0	\$0	\$0	\$0
	2006-2011 Funding	\$205,496						
	Total Funding	\$205,496						
FY	2006/07 Funding	\$205,496						



Council District 3
Neighborhood Area 4
Planning Area 8
Project Location Auburn Blvd. Redevelopment Project Area

Project Number 610C