

C O U N C I L C O M M U N I C A T I O N

TO: THE CITY COUNCIL
FROM: THE CITY MANAGER'S OFFICE

COUNCIL MEETING DATE:
MARCH 2, 1988

SUBJECT: RECEIVE FOR FILING HOUSING AUTHORITY OF THE COUNTY OF SAN JOAQUIN 1987 ANNUAL REPORT

RECOMMENDED ACTION: That Council, by motion action, receive for filing the Housing Authority of the County of San Joaquin 1987 Annual Report

Section 34328 of the State of California Health and Safety Code provides that at least once a year an authority shall file with the Clerk of the respective city and with the Department of Housing and Community Development a report of its activities for the preceding year. The report shall contain information adequate to determine that the requirements of Section 34312.3 have been met for any activity undertaken pursuant to that section. (A copy of Section 34312.3 is attached)

It will be in order for the City Council, by motion action, to receive the subject document for filing.

Alice M. Reimche
Alice M. Reimche
City Clerk

AMR:jj

COUNC015
TXTA.02D

Section

- 34316.5. Investment of funds in securities or obligations authorized by resolution of issuance or trust indenture.
- 34328.1. Annual report of activities to department: recommendations; reimbursement of processing costs.
34333. Lease or rental agreement waivers void as against public policy.
34334. Responsibility of private landlord of leased housing not to be implied.

§ 34310. Corporate and politic public body**Notes of Decisions****1. In general**

A favorable vote within a particular unincorporated area of a county on a countywide low rent housing measure does

not authorize low rent housing for that area where the measure was defeated by the county electorate as a whole. 66 Ops.Atty.Gen. 205, 6-23-83.

§ 34312. Housing projects: leased housing; financing; counseling, referral and advisory services; land for mobilehome parks

Within its area of operation, an authority may undertake any of the following:

(a) Prepare, carry out, acquire, lease, and operate housing projects for persons of low income, as authorized by this chapter, and housing developments for persons of low income, as authorized by **Part 3** (commencing with Section 50900) of Division 31.

(b) Provide for the construction, reconstruction, improvement, alteration, or repair of all or part of any housing project.

(c) Provide leased housing to persons of low income.

(d) Provide financing for the construction or rehabilitation (including refinancing of existing obligations on the property to be rehabilitated) of dwelling accommodations for persons of low income, and for other persons when acting pursuant to the authorization contained in Part 13 (commencing with Section 37910) of this division or Part 3 (commencing with Section 50900) of Division 31, subject only to the limitations on income of borrowers or residents prescribed by the statutory provisions under which the authority is acting. With respect to financing activities conducted pursuant to Part 3 (commencing with Section 50900) or Part 4 (commencing with Section 51600) of Division 31, the authority shall obtain certification as a qualified mortgage lender pursuant to Section 50094.

(e) Provide counseling, referral, and advisory services to persons and families of low or moderate income in connection with the purchase, rental, occupancy, maintenance, or repair of housing.

(f) Provide the security which the authority deems necessary * * * for the protection of a project and its inhabitants.

(g) Assist housing projects pursuant to Section 34312.3.

(h) Acquire, plan, undertake, construct, improve, develop, maintain, and operate land on which mobilehomes or a mobilehome park are, or may be, located, so long as not less than 20 percent of the mobilehomes are designated for occupancy by, or are occupied by, persons of low income. For purposes of this subdivision, "mobilehome" has the meaning specified in Section 18008, and "mobilehome park" has the meaning specified in Section 18214.

(Amended by Stats.1975, c. 1135, p. 2808, § 3; Stats.1975, c. 1137, p. 2813, § 4.5; Stats.1977, c. 342, p. 1302, § 1; Stats.1977, c. 926, p. 2830, § 1; Stats.1978, c. 1280, p. 4180, § 3; Stats.1980, c. 723, p. 2158, § 1; Stats.1982, c. 1138, p. 4099, § 2; Stats.1985, c. 485, § 3, urgency, eff. Sept. 6, 1985.)

1975 Legislation.

Effect of amendment of section by two or more acts at the same session of the legislature, see Government Code § 9605.

§ 34312.3. Powers relating to housing projects; requirements

(a) Subject to the requirements of this section and of Article 5 (commencing with Section 34350), an authority may do any of the following:

(1) Issue revenue bonds for the purpose of **financing** the construction or development of multifamily rental housing and for the provision of **capital improvements** in connection with and determined necessary to the multifamily rental housing.

Asterisks * * * indicate deletions by amendment

(2) Make or undertake commitments to make construction loans and mortgage loans to finance the development of multifamily rental housing.

(3) Purchase or undertake, directly or indirectly through lending institutions, commitments to purchase, construction loans, and mortgage loans originated in accordance with a financing agreement with the authority to finance the development of multifamily rental housing or make loans to lending institutions under terms and conditions which, in addition to other provisions determined by the authority, shall require the lending institutions to use the net proceeds of the loans for the making, directly or indirectly, of construction loans or mortgage loans to finance the development of multifamily rental housing.

(b) An authority may develop, rehabilitate, or finance housing projects or participate in the development, rehabilitation, or financing of housing projects; or purchase, sell, lease, own, operate, or manage housing projects so assisted, subject to all of the requirements of this section.

So long as the proceeds of any sale, lease, or other disposition of real property, net of the cost of sale, are to be used directly to assist a housing project pursuant to this section for persons of low income, and the funds in any trust fund established pursuant to subdivision (f) are used directly to assist housing units for persons of very low income, an authority may, after a public hearing, sell, lease, or otherwise dispose of the real property without complying with any provision of law concerning disposition of surplus property, including, but not limited to, Sections 34315.5 and 34315.7.

An authority may convey surplus lands it acquires from another public agency to a nonprofit or private developer for development of single-family homes where the development will provide for homeownership for persons and families of low or moderate income, as defined in Section 50093. This conveyance shall be after a public hearing. With the exception of subdivisions (b), (c), and (d) of Section 34315.7, the conveyance need not comply with any law concerning the disposition of surplus properties, including, but not limited to, Section 34315.5 or subdivision (a) of Section 34315.7. The proceeds of any sale or other disposition of surplus land, net of the cost of sale, shall be used to assist a housing project pursuant to this section for persons of low income.

(c)(1)(A) Not less than 20 percent of all units in housing projects assisted by an authority pursuant to this section shall be available for occupancy on a priority basis to persons of low income. In the case of housing projects located within a targeted area, as defined by Section 103(b)(12)(A) of Title 26 of the United States Code, not less than 15 percent of all units in such housing projects assisted pursuant to this section shall be for occupancy on a priority basis by persons of low income.

(B) If the sponsor elects to establish a base rent for units reserved for lower income households, the base rents shall be adjusted for household size, as determined pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f),¹ or its successor, for a family of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

(2)(A) Not less than one-half of the units required to be available for occupancy pursuant to paragraph (1) and financed with any bonds issued on or after January 1, 1986, shall be occupied by, or made available to, very low income households, as defined by Section 50105.

(B) The rental payments for those units paid by the persons occupying the units (excluding any supplemental rental assistance from the state, the federal government, or any other public agency to those persons or on behalf of those units) shall not exceed the amount derived by multiplying 30 percent times 50 percent of the median adjusted gross income for the area, adjusted for family size, as determined pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), or its successor, for a family of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.

(3) Any indebtedness incurred pursuant to a mortgage loan financed under the terms of this chapter shall be subject to acceleration and the balance owing declared immediately due and payable upon any sale of an owner-occupied residence to a purchaser who does not meet the required qualifications for borrowers as established by the authority.

(4) The authority shall require the owners of housing projects assisted pursuant to this section to accept as tenants, on the same basis as all other prospective tenants, in the units reserved for very low income households, any very low income households who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), or its successor. The authority shall not permit a selection criteria to be

Underline indicates changes or additions by amendment

applied to Section 8 certificate holders that is any more burdensome than the criteria applied to all other prospective tenants.

(5) No resident in housing units assisted pursuant to this section shall be denied continued occupancy or ownership because, after admission, the resident's family income increases to exceed the eligibility level. However, the authority shall ensure that percentage requirements of this section shall continue to be met by providing the next available unit or units to persons of low income or by taking other actions to satisfy the percentage requirements of this section.

(6) In determining whether the percentage requirements of subdivision (c) have been achieved, the following terms and conditions shall be applied:

(A) The requirement that 20 percent or 15 percent, as the case may be, of the housing units assisted by an authority pursuant to this section shall be available on a priority basis to, or occupied by, households whose adjusted gross income does not exceed the applicable limits prescribed by subdivision (c) shall apply to the aggregate number of units assisted by an authority pursuant to this section.

(B) This section applies only to housing units first assisted after January 1, 1983, and the percentage requirements of subdivision (c) shall be complied with by January 1, 1986, and on January 1 of each even-numbered year thereafter.

(C) The percentage requirements of subdivision (c) shall be achieved within each of the following categories: (1) rent31 housing developments; (2) homeownership developments; and (3) rehabilitation financing. Housing units provided by rehabilitation financing shall not be counted within either of the first two categories.

(d) Units required to be reserved for occupancy by subdivision (c) and financed with the proceeds of bonds issued on or after January 1, 1986, shall remain occupied by, or made available to, those persons until the bonds are retired.

(e) No housing authority may issue any bonds on or after January 1, 1986, until the information required to be filed pursuant to Section SS55.5 of the Government Code has been filed with the California Debt Advisory Commission and the Treasurer certifies to the Legislature that the housing authority has filed that information.

(f) Multifamily rental housing financed pursuant to this section shall not be subject to the requirements of Subparagraph (B) of paragraph (1) and paragraph (2) of subdivision (c), and the requirements of subdivision (d), if all of the following requirements are fulfilled:

(1) The housing authority offers each tenant a homeownership opportunity when the bonds are retired.

(2) A special trust fund or account which is funded with bond issuance proceeds or developer contributions, or both, is established no later than the time that the multifamily rental housing is first occupied. The initial funding of the account shall be no less than 5 percent of the face value of the bonds issued for the multifamily rental housing project. Upon repayment of the bonds, these funds, and all interest accruing thereon, less any amounts necessary to pay outstanding claims, shall be used to assist housing units for persons of very low income.

(3) The requirements of subparagraph (A) of paragraph (1) and subparagraph (A) of paragraph (2) of subdivision (c) shall remain in effect for the periods required by Section 103(b)(12)(B) of Title 26 of the United States Code.

(g) It is the intent of the Legislature, and the Legislature declares, that housing authorities are the local entities with primary responsibility for providing housing for low-income and very low income households within their jurisdictions. However, recognizing that housing projects only for low-income households cannot be adequately assisted or developed with currently available funds, and that excess funds from housing projects assisted pursuant to this section can be utilized to further assist in the provision of housing for lower income households, it is the intent of the Legislature that the authorization of this section is to be used to enhance and supplement the traditional housing authority role of providing housing only for low-income households.

(Added by Stats.1982, c. 1138, p. 4100, § 3. Amended by Stats.1983, c. 1309, § 5; Stats.1984, c. 1310, § 1; Stats.1985, c. 1276, § 4; Stats.1986, c. 1190, § 4.)

142 U.S.C.A. § 1437f.

Asterisks * * * indicate deletions by amendment



Housing Authority
of the County of San Joaquin

Post Office Box 447 • Stockton, California 95201

February 19, 1988

City Clerk
City of Lodi
City Hall
Lodi, California 95240

Dear Sir:

in compliance with **the Health and Safety Code Section 34328** requiring this Housing Authority to file with the Clerk, at least once **a year**, a report of **its** activities, **you** will find enclosed a copy **of** our 1987 Annual Report.

In order that **we** may document our files, kindly acknowledge receipt of this report by signing the **enclosed** duplicate letter and returning **same** to **us**.

Sincerely,

**HOUSING AUTHORITY OF THE
COUNTY OF SAN JOAQUIN**

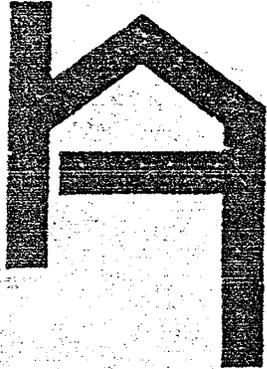
David R. Ward
Executive Director

jd
Enc.

I hereby acknowledge receipt of the above report.

DATED: March 2, 1988

Alice M. Reinche
Alice M. Reinche, City Clerk



Housing Authority _____
of the County of San Joaquin —

1987

ANNUAL REPORT



Housing Authority
of the County of San Joaquin

Post Office Box 447 • Stockton, California 95201

February 19, 1988

The Board of Supervisors
of the County of San Joaquin

The City Council
of the Cities of Stockton, Tracy,
Lodi, Manteca, Escalon, and Ripon

Gentlemen:

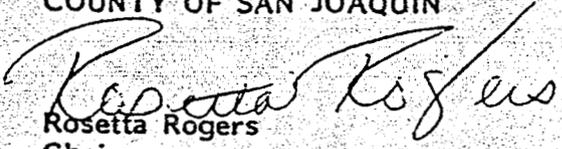
It is a pleasure to submit this Annual Report describing the Housing Authority of the County of San Joaquin's activities and accomplishments for 1987, our 46th year of service.

The high quality of our service is made possible only through the dedication of our 82 staff members. The Commission, the community-at-large, and our clients appreciate the commitment to excellence that our employees have demonstrated.

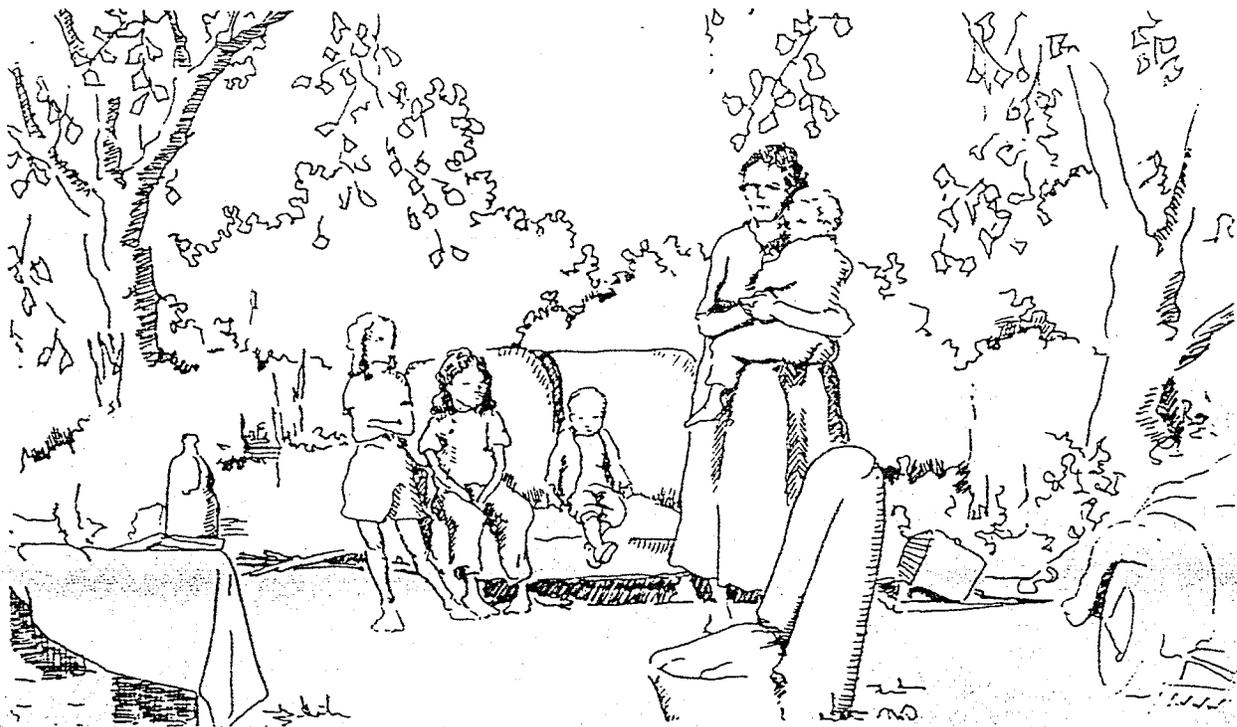
The Housing Authority of the County of San Joaquin is determined to play a significant role in the provision of affordable housing for the low-income people in our community, despite the uncertainty of current legislation. Elected officials, such as yourselves, also play a key role in influencing future legislation. We encourage you to petition and/or communicate our communities' housing needs to our federal leaders at every opportunity in 1988.

Very truly yours,

HOUSING AUTHORITY OF THE
COUNTY OF SAN JOAQUIN


Rosetta Rogers
Chairwoman

jd



During the early sixties when migrant workers came into our agricultural county to harvest our crops, they lived in cars, on riverbanks, and under bridges. Some of their children died due to the elements, mechanical accidents, and untreated illnesses.

During that time, one man, in a borrowed van, made soup every day and took it and donated blankets and clothing to the migrants. He had a dream that some day migrant workers would have shelter, day care, and education for their children.

This year with the dedication of Harney Lane Migrant Family Farm Labor Center, the third center in our county, that dream was realized, and to commend his dedication and efforts, we dedicate this 1987 Annual Report to:

JOSEPH J. ARTESI



During the early sixties when migrant workers came into our agricultural county to harvest our crops, they lived in cars, on riverbanks, and under bridges. Some of their children died due to the elements, mechanical accidents, and untreated illnesses.

During that time, one man, in a borrowed van, made soup every day and took it and donated blankets and clothing to the migrants. He had a dream that some day migrant workers would have shelter, day care, and education for their children.

This year with the dedication of Harney Lane Migrant Family Farm Labor Center, the third center in our county, that dream was realized, and to commend his dedication and efforts, we dedicate this 1987 Annual Report to:

JOSEPH J. ARTESI



Housing Authority
of the County of San Joaquin

1987 ROSTER

BOARD OF COMMISSIONERS

<u>NAME</u>	<u>TITLE</u>	<u>RESIDENCE</u>
Rosetta Rogers	Chairwoman	Stockton
George L. Dutra	Vice Chairman	Manteca
Bruce R. Lattimer	Vice Chairman	Stockton
Cordell Bunton	Commissioner	Stockton
Jose C. De Santiago	Commissioner	Stockton
Lillian Frierson	Commissioner	Stockton
Thomas L. McGrananan	Commissioner	Thornton

ADMINISTRATION

David R. Ward	Executive Director
Richard R. Moore	Deputy Director/Finance
Roberta J. Hart	Deputy Director/Operations
Robert A. Reed	Deputy Director/Operations

LEGAL COUNSEL

Al Warren Hoslett
Wilson, Hoslett & Whitridge

Commissioners are appointed by the
Board of Supervisors of the County of San Joaquin





Housing Authority
of the County of San Joaquin

1987

GOALS

ACCOMPLISHMENTS

- o Complete modernization of Tracy Homes. A Contract for \$1,247,450 completed November 16, 1987.

- Construct Harney Lane Migrant Family Farm Labor Center. A Contract for \$4,231,108 completed March 17, 1987. Occupied May 1, 1987.

- Dedicate Harney Lane Migrant Family Farm Labor Center. A June 26, 1987

- Modernize and repair flood damage at Mokelumne Manor. Δ Work on \$644,440 contract began October 9, 1987.

- Upgrade computer system to double capacity and increase speed. Δ September, 1987.

- Demolish Mathews Road Migrant Center No. 1. Δ Completed September 25, 1987.

- Landscape Harney Lane Migrant Family Farm Labor Center. Δ Contract for \$74,429 awarded October 16, 1987.





Housing Authority
of the County of San Joaquin

1988 GOALS

- Complete modernization and flood damage repair at Mokelumne Manor.
- Complete landscaping at Harney Lane Migrant Family Farm Labor Center.
- Apply for Comprehensive Improvement Assistance Program funds for Conway Homes in the amount of \$11,041,350.
- Reroof 127 buildings at Sierra Vista. **A**



Housing Authority
of the County of San Joaquin

HOUSING DEVELOPMENTS AND PROGRAMS

HOUSING DEVELOPMENTS

DWELLING UNITS

Conventional Low-Rent Housing (Owned)

1,075

Sierra Vista	394
Conway Homes, Stockton	436
Tracy Homes, Tracy	60
Diablo Homes, Tracy	60
Burton Homes, Tracy	40
Krafft Homes, Tracy	35
Mokelumne Manor, Thornton	50

Sartini Manor Farm Labor, Thornton (Owned)

31

Migrant Farm Labor, Thornton (Owned)

288

Filipino Plaza, Stockton (Managed)

128

PROGRAMS ADMINISTERED

Section 8 Rental Assistance Program
(See Summary on next page)

2,401

TOTAL

3,923

SECTION 8 RENTAL ASSISTANCE PROGRAM
Summary of Units Under Contract

<u>Location</u>	<u>Units</u>	<u>Unincorporated Areas</u>
Stockton	1,960	138
Lodi	183	3
Tracy	28	
Manteca	39	
Escalon	15	0
Ripon	<u>6</u>	
SUBTOTAL	2,231	145

Unincorporated Areas/San Joaquin County

French Camp		4
Lathrop		3
Lockeford		1
Thornton		4
Woodbridge		11
Acampo	<u> </u>	<u>2</u>
SUBTOTAL	2,231	25
TOTAL CONTRACTS*	2,231	170

*Totals include units under the Aftercare Program **H**



Housing Authority
of the County of San Joaquin

HUD-Aided Programs

STATEMENT OF OPERATING RECEIPTS AND EXPENDITURES

September 30, 1987

	<u>CONVENTIONAL HOUSING PROGRAM</u>	<u>HOUSING ASSISTANCE PAYMENTS PROGRAM SECTION 8</u>
<u>OPERATING RECEIPTS</u>		
Rental Income	\$2,215,717	
Interest on Investments	57,544	\$ 754
Other income	11,311	
Annual Contributions	2,325,723	5,105,368
Operating Subsidy	<u>873,800</u>	<u> </u>
TOTAL OPERATING RECEIPTS	\$5,484,095	\$5,106,122
<u>OPERATING EXPENDITURES</u>		
Administration	\$ 574,850	525,305
Utilities	715,734	
Routine Maintenance	1,088,631	
General Expense	656,529	195,047
Housing Assistance Payments		4,304,128
Nonroutine Maintenance	4,515	
Nonexpendable Equipment	74,681	11,323
Debt Service	2,325,723	
Prior Year Adjustment	(51,704)	(5,197)
TOTAL OPERATING EXPENDITURES	\$5,388,959	\$5,030,606
PROVISION FOR RESERVE (DEFICIT)	<u>\$ 95,136</u>	<u>\$ 75,516</u>



Housing Authority
of the County of San Joaquin

HUD-Aided Programs

BALANCE SHEET

September 30, 1987

<u>ASSETS</u>	<u>CONVENTIONAL HOUSING PROGRAM</u>	<u>HOUSING ASSISTANCE PAYMENTS PROGRAM SECTION 8</u>
Cash	\$ 265,874	\$102,432
Accounts Receivable	163,237	51,402
Investments	1,310,502	
Debt Amortization Funds	2,733,075	
Deferred Charges	91,164	43,669
Land, Structures and Equipment	30,786,416	89,176
Modernization and Development	<u>1,515,727</u>	<u> </u>
TOTAL ASSETS	<u>\$36,865,995</u>	<u>\$286,679</u>
 <u>LIABILITIES AND SURPLUS</u>		
Accounts Payable	\$ 327,268	\$115,847
Accrued Liabilities	447,793	6,140
Deferred Credits	20,311	
Notes Payable	14,254,578	
Bond Payable	<u>4,234,000</u>	<u> </u>
TOTAL LIABILITIES	\$19,283,950	\$121,987
Surplus and Reserves	<u>17,582,045</u>	<u>164,692</u>
TOTAL LIABILITIES AND SURPLUS	<u>\$36,865,995</u>	<u>\$286,679</u>



Housing Authority
of the County of San Joaquin

State of California Housing and
Community Development Programs

STATEMENT OF OPERATING RECEIPTS AND EXPENDITURES

June 30, 1987

	<u>MIGRANT FAMILY FARM LABOR HOUSING</u>	<u>HOUSING ASSISTANCE PAYMENTS PROGRAM AFTERCARE</u>
<u>OPERATING RECEIPTS</u>		
Rental Income	\$ 157,201	
Other Income	16,569	
HCD Contributions	<u>5,516,854</u>	<u>79,290</u>
TOTAL OPERATING RECEIPTS	\$5,690,624	\$79,290
<u>OPERATING EXPENDITURES</u>		
Administration	\$ 248,506	\$ 8,605
Utilities	153,150	
Routine Maintenance	48,864	
General Expense	58,921	3,482
Nonexpendable Equipment		
Construction and Rehabilitation	5,181,183	
Housing Assistance Payments		<u>64,178</u>
TOTAL OPERATING EXPENDITURES	<u>\$5,690,624</u>	<u>\$76,265</u>
PROVISION FOR RESERVE (DEFICIT)	-0-	\$ 3,025



Housing Authority
of the Cotinty of San Joaquin

State of California Housing and
Community Development Programs

BALANCE SHEET

June 30, 1987

MIGRANT FAMILY
FARM LABOR HOUSING

HOUSING ASSISTANCE
PAYMENTS PROGRAM
AFTERCARE

ASSETS

Cash	\$ 157,667	\$20,331
Accounts Receivable	58,705	1,672
Investments	19,990	
Deferred Charges	13,430	6,477
Land, Structures & Equipment	<u>10,732,509</u>	<u> </u>
TOTAL ASSETS	<u>\$10,982,301</u>	<u>\$28,480</u>

LIABILITIES

Accounts Payable	\$ 139,098	\$15,789
Accrued Liabilities	<u>110,694</u>	<u>10,249</u>
TOTAL LIABILITIES	\$ 249,792	\$26,038
Surplus and Reserves	<u>\$10,732,509</u>	<u>2,442</u>
TOTAL LIABILITIES AND SURPLUS	<u>\$10,982,301</u>	<u>\$28,480</u>

