

COUNCIL COMMUNICATION

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

DATE
February 24, 1987

NO.

SUBJECT: Rental Rehabilitation Program

RECOMMENDED ACTION:

The City Council authorize San Joaquin County to undertake a Rental Rehabilitation Program within the City limits.

BACKGROUND INFORMATION:

San Joaquin County has received a \$55,400 allocation from the Department of Housing and Urban Development (HUD) to assist owners of rental properties to make needed repairs to their units.

If the City Council so authorizes, a portion of the allocation will be used to assist the owners of rental units on the City's east side. These funds are in addition to the City's Community Development Block Grant monies.

Don Luxemberg, the County's Program Manager, and Rick Barnum, of our staff, have developed the possible operating procedures which are outlined on Page 2. of the attached letter.


JAMES B. SCHROEDER
Community Development Director



COUNTY OF SAN JOAQUIN

COURTHOUSE, ROOM 707
222 EAST WEBER AVENUE
STOCKTON, CALIFORNIA 95202-2778
AREA 209 944-3211

February 10, 1987

Mr. James B. Schroeder, Community Development Director
City of Lodi
221 W. Pine Street
Lodi, CA 95241-1910

Dear Mr. Schroeder:

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM RENTAL REHABILITATION PROGRAM

The County is now prepared to move forward to implement the Rental Rehabilitation Program. The County has received an allocation of \$55,400 from HUD to assist and encourage owners of rental properties to make needed repairs to their units.

In submitting our application to HUD for funding, we identified two census tracts in Lodi, one census tract in Tracy and one target area in the County where the Rental Rehabilitation Program might work favorably and satisfy HUD's program requirements.

In selecting target areas, we chose those with:

1. The highest number of older multi-family dwelling units;
2. A minimal degree of deterioration and limited substandard housing conditions;
3. Financially feasible projects based on a \$5,000 grant per dwelling unit, plus a \$5,000 match by the property-owner, and
4. A potential for arresting further neighborhood deterioration and stabilizing affordable rents for low and moderate income persons.

With those concepts in mind, the City and County staffs completed a windshield survey of Census Tract #45 in Lodi. Twenty-seven properties containing approximately 125 separate dwelling units were identified; all of which would appear to satisfy the program objectives.

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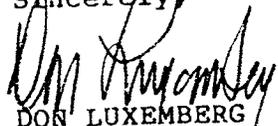
Our initial discussions on how to implement the program within the City of Lodi includes the following possible administrative operating procedures:

1. County would be responsible for outreach and marketing programs within the city; to include direct mail to property owners and notices in local paper;
2. County would review applications; determine project feasibility and complete loan underwriting;
3. City staff would be responsible for initial building inspection; identification code and Section 8 deficiencies; and prepare rehabilitation write-ups. County staff would be available to assist initially;
4. City would issue necessary building permits;
5. City would inspect work and authorize progress payments consistent with HUD requirements-Section 8 Housing Quality Standards;
6. County would make progress payments to property owner and contractor and maintain all financial records on project;
7. City will maintain building inspection and rehabilitation file;
8. County will provide relocation assistance if required and work with Housing Authority to qualify existing tenants under the Section 8 program.

In order for the County to proceed with the program, we would request that the City Council authorize the County to undertake a Rental Rehabilitation Program within the City's jurisdiction.

If you have questions, please call me at 944-3218.

Sincerely,


DON LUXEMBERG
Program Manager

DL:bn

c: Richard Laiblin, Deputy County Administrator
(L2LOD20)87