

RESOLUTION NO. RA 89-05

A RESOLUTION OF THE REDEVELOPMENT AGENCY
OF THE CITY OF PASO ROBLES
ADOPTING PROGRAM GUIDELINES
FOR THE REHABILITATION PROGRAM

WHEREAS, the Redevelopment Agency of the City of Paso Robles approved on October 12, 1988 the use of \$50,000 in Agency Low-Moderate Income Housing funds for the operation of an Agency rehabilitation program; and

WHEREAS, the Agency authorized on February 13, 1989 the execution of an agreement with People's Self-Help Housing Corporation for the administration of said program; and

WHEREAS, the program is intended to provide a source of loans to low income households who may wish to accomplish off-site public improvements as part of the rehabilitation of a property under the City's Community Development Block Grant program.

BE IT RESOLVED by the Redevelopment Agency of the City of Paso Robles as follows:

Section 1. That the attached program guidelines be adopted for the operation of the Agency's rehabilitation program.

Section 2. That any amendments or revisions to these guidelines shall be approved by the Agency.

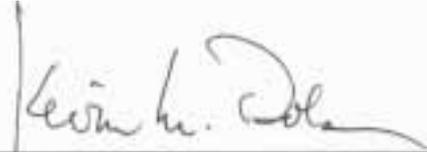
PASSED AND ADOPTED by the Redevelopment Agency of the City of Paso Robles, this 8th day of May, 1989, on the following vote:

AYES: Martin, Russell, Conway, Dolan

NOES: None

ABSENT: None

ABSTAINED: Reneau


Chairman, Kevin Dolan

ATTEST:


Jerry Bankston

STATE OF CALIFORNIA)
COUNTY OF SAN LUIS OBISPO)SS.
CITY OF EL PASO DE ROBLES)

I, Jerry Bankston, Secretary of the Redevelopment Agency of the City of El Paso de Robles, California, do hereby certify that the foregoing ... Resolution No. RA 89-05

was duly and regularly adopted, passed and approved by the Redevelopment Agency of the City of El Paso de Robles, California, at a regular meeting of said Redevelopment Agency held at the regular meeting place thereof, on the 8th day of May, 19.80..., by the following vote:

AYES: Martin, Russell, Conway and Dolan
NOES: None
ABSENT: None
ABSTAINED: Reneau

Dated this 8th..... day ofMay....., 1989..


Jerry Bankston, REDEVELOPMENT AGENCY
OF THE CITY OF EL PASO DE ROBLES

CITY OF EL PASO DE ROBLES

REDEVELOPMENT AGENCY

HOUSING REHABILITATION PROGRAM

CITY OF PASO ROBLES
REDEVELOPMENT AGENCY
HOUSING REHABILITATION PROGRAM

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CITY OF PASO ROBLES
REDEVELOPMENT AGENCY REHABILITATION
PROGRAM GUIDELINES

I. APPLICANT ELIGIBILITY

A. Conflict of Interest

No member of the government body of the locality and no other official, employee, or agent of the City government who exercises policy, decision-making functions, or responsibilities in connection with the planning and implementation of the program shall directly or indirectly be eligible for this program, unless the application for rehab assistance has been reviewed and approved according to applicable State and Federal laws and has been approved by the Redevelopment Agency.

B. Income

To be eligible, household income must be equal to, or less than, the current applicable State Guidelines for low income. Eligibility will be determined based on household income for the year prior to the date of application for participation in the program. (See Income and Household definition(s) in Section(s) IX and X.)

C. Application Rating and Selection

1. The applicant's eligibility for participation in the Paso Robles' Redevelopment Agency's program will be determined by their agent in accordance with these guidelines. In order to participate, applicants must meet all property and client eligibility guidelines in effect at the time of loan approval.
2. Final determination of eligibility and loan/grant approval will be made by the City Loan Committee. The Loan Committee will be comprised of the City of Paso Robles' Administrative Accountant and the Director of Community Development or designee, plus a representative from Peoples' Self-Help Housing Corporation ("PSHHC"). In situations where eligibility is not clear-cut, final determination will be made by the City Loan Committee in consultation with the Redevelopment Agency.

REDEVELOPMENT AGENCY REHABILITATION PROGRAM GUIDELINES

3. The Agency reserves the right to establish eligibility priority standards should applications exceed the availability of funds.

II. PROPERTY ELIGIBILITY

A. Location

1. Units to be rehabilitated must be located within the City limits.
2. Properties within the condemnation area identified by the City of Paso Robles Redevelopment Agency must be reviewed for condemnation targeting.
3. Properties within zones designated within the 100-year flood boundaries by the Federal Emergency Management Agency (FEMA) are ineligible for rehabilitation services.

B. Unit Condition/Rehab Standards

1. All units assisted under the program will be brought into compliance with HUD Section 8 Existing Housing Quality Standards ("HQS"). A copy of these standards are available in the City's public information file and with the City's agent. General property improvements not related to Section 8 HQS's, and luxury items are not allowed under the program.
2. Exceptions to Section 8 Standards may be made when it is determined that it is infeasible to bring the house up to those standards within the limits of this program or where the particular circumstances of the dwelling or participant require a different standard. At a minimum, all serious health and safety hazards must be eliminated. Work standards for these repairs will be based on the Uniform Housing Code.
3. Public improvements associated with the rehabilitation of the units will be brought to current City standards.

C. Other Conditions

All improvements must be physically attached to the property and permanent in nature.

REDEVELOPMENT AGENCY REHABILITATION PROGRAM GUIDELINES

III. REHABILITATION LOANS

A. Loan Limits

1. Owner-investors may be eligible to borrow up to \$3,000 per multifamily unit, up to a maximum of \$15,000.
2. Owner-occupants may be eligible to borrow up to \$10,000.
3. Loans over the specified maximum amounts can be approved under special circumstances reviewed and accepted by the Loan Committee.
4. After-rehab lien to value ratio cannot exceed 80%.

B. Types of Loans

1. Owner-investor loans are at five percent annual interest deferred for 15 years. Landlord is required to enter into a Rent Limitation Agreement ensuring affordable rents income occupancy for ten years.
2. Zero (0%) percent, deferred payment loans, due in full when property changes ownership, will be available to low and very low-income owner-occupants.

C. Other Financing

Eligible participants may also finance rehabilitation costs through personal financing or through loan or grant programs other than that available through the City.

IV. OWNER-INVESTOR RESTRICTIONS

An owner-investor who elects to borrow from the Redevelopment Agency's Rehabilitation Program must sign a rental agreement and receive City approval. This agreement will specify two conditions: (1) compliance with all Open Housing Laws prohibiting discrimination; and (2) the establishment of a Rent Limitation Agreement for five years. Details of terms and compliance are explained in the Rent Limitation Agreement.

REDEVELOPMENT AGENCY REHABILITATION PROGRAM GUIDELINES

V. LOAN APPROVAL

All loans must be approved by the Redevelopment Agency Loan Committee.

VI. INSURANCE

The applicant shall obtain title insurance upon execution of the loans.

The applicant shall maintain fire insurance on the property for the duration of the loan. This insurance must be an amount adequate to cover all encumbrances on the property. The insurer must identify the Redevelopment Agency as loss payee(s) for the amount of the loan(s). A binder shall be provided to the Redevelopment Agency.

The applicant shall obtain family accident insurance for the duration of rehabilitation activities.

All contractor's performing rehabilitation work must comply with Sections 1860, 1861 and 3700 of the California Labor Code which requires every Contractor to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code.

VII. COMPLAINT PROCEDURE

- A. All complaints should be made to the Rehabilitation Director. If unresolved in this manner, the procedure is as follows:
- B. Complaints concerning the rehabilitation program shall be in writing and filed with the Community Development Director. The Director will then schedule a meeting with the Loan Committee. Their response will be in writing and will be made within ten working days. If applicant is not satisfied with the Committee's decision, a request for an appeal may be filed with the Redevelopment Agency.

VIII. AMENDMENTS

Amendments and changes to these guidelines may be made upon approval by the Redevelopment Agency.

REDEVELOPMENT AGENCY REHABILITATION PROGRAM GUIDELINES

IX. INCOME DEFINITION

- A. For the purposes of determining eligibility in accordance with State income guidelines, annual income will include:
1. Gross wages and salary before deductions.
 2. Net money income from self-employment.
 3. Cash income received from such sources as rents, Social Security benefits, pensions, and periodic income from insurance policy annuities.
 4. Periodic cash benefits from public assistance and other compensation, including Aid to Families with Dependent Children, Supplemental Security income, Worker's Compensation, State Disability Insurance, and Unemployment benefits.
 5. Interest earned on savings and investments.
- B. Annual income will not include:
1. Non-cash income such as food stamps or vouchers received for the purchase of food or housing.
 2. Capital gains or losses.
 3. One-time unearned income such as scholarship and fellowship grants; accident, health, or casualty insurance proceeds; prizes or gifts; inheritances.
 4. Payments designated specifically for medical or other costs, foster children, or their non-disposable income.

This is not meant to be a complete list. City staff will make the final decision in situations where the classification of income is not clear-cut. Any exceptions or other deviations from this definition of annual income will be considered by City staff in consultation with the Redevelopment Agency.

XI. GENERAL GUIDELINES FOR HOUSEHOLD DETERMINATION

A household shall be defined as persons occupying the housing unit as a place of residence.

REDEVELOPMENT AGENCY REHABILITATION PROGRAM GUIDELINES

Each household participating in the Community Development Block Grant Program shall be evaluated on a case by case basis. Because there exist many non-traditional households, staff needs to take this into consideration when making a determination.

XII. GENERAL GUIDELINES FOR SENIOR AND DISABLED DETERMINATION

A senior shall be defined as any individual who has reached their sixty-second (62nd) birthday.

A person with a permanent work disability shall be defined as any individual who has been classified as being permanently disabled by his/her attending physician, the Social Security Administration, the Veteran's Administration, or other recognized authority.