



*Agency Rpt*  
*48*

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

CITY MANAGER'S  
**RECEIVED**  
JUL 20 1983

Housing Authority of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: Agency Response to HUD Management Review Report:  
Ralph Kennedy Estates and Ping Yuen Center

### SUMMARY

The attached Agency responses to the above Department of Housing and Urban Development (HUD) reports are submitted for your review and filing.

### BACKGROUND

In addition to its conventional public housing inventory, the Agency also owns and operates low-income housing projects which receive rental subsidies under Section 8 of the United States Housing Act of 1937 as amended. As with public housing, the management of Section 8 projects is subject to periodic HUD review. This report regards the latest HUD management review of Ralph Kennedy Estates and Ping Yuen Center conducted October 1982. Copies are included as Attachment A. Attachment B is the Agency's response to the HUD findings.

Our response to the Management Review was delayed due to difficulties in resolving financial management issues with HUD. Specifically the Agency had intended to submit our Agency-wide comprehensive audit for the annual audited financial statement required by Finding A15. However HUD considers the latter to be a non-negotiable contract requirement and declined to accept the comprehensive audit and directed the Agency to conduct individual audits for each project. Accordingly, the preparation of site specific audited financial statements for fiscal years 1981 and 1982 was authorized in February 1983. The results have been submitted to HUD together with a request for a rent increase.

7-26-83  
D-1 & D-5

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority of the  
City of Sacramento

Page Two

FINANCIAL DATA

The estimated cost of correcting deficiencies at Kennedy Estates is \$13,500. The estimate for Ping Yuen is \$200. The costs are reimbursable project expenses, therefore no expenditure of outside (non-Section 8) Agency funds will be required.

POLICY IMPACT

The action proposed in this staff report is consistent with previously approved policy and there are no policy changes being recommended.

RECOMMENDATION

The staff recommends that the Agency responses to the HUD findings be approved and submitted to HUD.

Respectfully submitted,

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COUNCIL:

*Walter J. Slipe, Jr.*  
For: WALTER J. SLIPE  
City Manager

48



U.S. Department of Housing and Urban Development  
Sacramento Multifamily Service Office, Region IX  
545 Downtown Plaza, Suite 250  
P.O. Box 1978  
Sacramento, California 95809

October 12, 1982

Mr. John Bridges  
Director of Housing  
Sacramento Housing & Redevelopment Agency  
630 I Street  
Sacramento, CA 95824

Dear Mr. Bridges:

SUBJECT: Ralph Kennedy Estates Apartments  
Project No. 136-35484

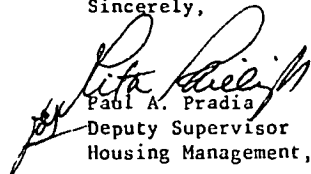
Enclosed is a Management Review Report for the subject property. The report is the result of a management review made at the property recently, to assure full compliance with current HUD requirements.

Deficiencies found during the review are noted on the report. The legend of the report identifies corrective actions to be completed wherever found throughout the project.

If you are unable to correct the noted deficiencies or meet the time schedules noted on HUD Form 9834, or if you disagree with the findings in the Management Review Report, please notify us, in writing, no later than three weeks from the date of this letter. Otherwise, please forward a copy of the enclosed report to the individual responsible for accomplishing the needed correction.

Should you have any questions contact Fred Bell or Tomasine Atkinson, of my staff, at (916) 440-2343.

Sincerely,

  
Paul A. Pradia  
Deputy Supervisor  
Housing Management, 9.8FM

Enclosure

cc:  
Ms. E. Williams  
6511 Elder Creek Road  
Sacramento, CA 95824





U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT HOUSING - FEDERAL HOUSING COMMISSIONER		Page 3 of 4 Pages
CONTINUATION SHEET -- MANAGEMENT REVIEW REPORT		DATE OF INSPECTION September 22, 1982
PROJECT NAME	PROJECT NUMBER	DATE OF THIS REPORT
Ralph Kennedy Estates	136-35484	October 12, 1982
DESCRIPTION OF PROBLEMS AND RECOMMENDATIONS FOR CORRECTION OR IMPROVEMENT <i>(Continuation from Page 1, HUD-9834)</i>	TARGET COMPLETION DATE	DATE COMPLETION VERIFIED
<p>15. <u>Finding:</u> Project in violation of paragraph 2 (c) of the Regulatory Agreement. The Annual Audited Financial Statement for fiscal year 1981 has not been submitted.</p> <p><u>Recommendation:</u> Submit Financial Statements. Mortgagor Financial Statements are to be submitted within 60 days following the close of each annual fiscal period. The requirements are set forth in HUD Handbooks 4370.2 and 4372. HUD will make no concessions of any nature including, but not limited to, rental increases and reimbursement from the Reserve for Replacement Fund until this matter is resolved.</p> <p><u>Finding:</u> Monthly Accounting Reports HUD 93479, 80, 81 reveal complex has borrowed monies from the City General Fund.</p> <p><u>Recommendation:</u> The borrowing of monies from the City General Fund must be discontinued immediately. These funds were borrowed without the written prior approval of HUD and constitute a violation of the Regulatory Agreement paragraph 7 (h).</p>	11/1/82	
<p>16. <u>Finding:</u> Current HUD approved rent schedule is not sufficient to meet project needs.</p> <p><u>Recommendation:</u> Request rental increases when needed. Last approved increase was May 16, 1980. In addition a four bedroom unit is being utilized as the rental office which is depriving a needy family of residence and not producing revenue to the project.</p>	11/82	
<p>21. <u>Finding:</u> Where security deposits collected are less than gross contribution no claim may be made against the HUD security deposit guarantee for unpaid rent or tenant caused-damages.</p> <p><u>Recommendation:</u> Suggest security deposits be increased to equal one month gross family contribution on future move-in's in order to make claims on HUD security deposit.</p>	12/82	
<p>23. <u>Finding:</u> New HUD model lease has not been submitted to HUD for approval or implementation.</p> <p><u>Recommendation:</u> HUD Handbook 4350.3 dated November 1981, Appendix 19A contains new provisions/instructions. All new tenants should be executing revised lease. Submit to HUD for approval revised lease using Appendix 19A as a guide.</p>	12/82	
<p>24. <u>Finding:</u> No HUD approved Rental Schedule (HUD 92458) on file at project office.</p> <p><u>Recommendation:</u> Provide enclosed rental schedule to site personnel until rescinded.</p>	11/82	
<p>25. <u>Finding:</u> Proper income limits were not being used.</p> <p><u>Recommendation:</u> Provide enclosed income limits to on-site personnel. Applicants rejected because of income should be contacted to see if they are still available for housing and given an opportunity to apply.</p>	11/82	
<p>39. <u>Findings:</u> There is no current management plan available on site for staff use. This was noted since 1980.</p> <p><u>Recommendation:</u> A search of our files reveal there is no current management plan. Please provide this office with an updated management plan. Provided for your guide is a copy of HUD 9405, Management Plan Requirements.</p>	11/82	

48

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
HOUSING - FEDERAL HOUSING COMMISSIONER

CONTINUATION SHEET -- MANAGEMENT REVIEW REPORT

DATE OF INSPECTION  
September 22, 1982

PROJECT NAME  
Ralph Kennedy Estates

PROJECT NUMBER  
136-35484

DATE OF THIS REPORT  
October 12, 1982

DESCRIPTION OF PROBLEMS AND RECOMMENDATIONS FOR CORRECTION OR IMPROVEMENT  
*(Continuation from Page 1, HUD-9834)*

TARGET  
COMPLETION  
DATE

DATE  
COMPLETION  
VERIFIED

39. Continued

43. NOTE: This office does not have a copy of Ralph Kennedy's procedures manual. In addition to the submission to HUD for approval provide on-site staff with a copy.

It was noted only one HUD Handbook 4350.3 dated November 1981, was received. Mrs. Williams did not have knowledge a new publication was received nor what the contents were; i.e. new lease, computations, etc. A system to keep on-site staff informed of changes in either HUD policies or project operating procedures should be developed.

41. Finding: There is no sign on Elder Creek Road to enable tenants/ applicants to easily locate the office.

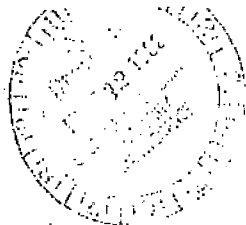
Recommendation: Erect sign on Elder Creek Road.

2/83

NOTE: Mrs. Williams was provided with a copy of HUD Handbook 4350.3 dated November 1981, to familiarize herself with HUD's new lease and occupancy requirements. Mrs. Williams is to be commended on her ability to effectively communicate with her tenants.

The foregoing discrepancies were pointed out to Mrs. Williams during the course of the review.

NOTE: The complex does not have a resident manager on the premises. In accordance with State Law any complex with 16 or more units are required to have a resident manager. A full time maintenance man should be considered.



U.S. Department of Housing and Urban Development  
 Sacramento Multifamily Service Office, Rm. 111  
 545 Downtown Plaza, Suite 230  
 P.O. Box 1978  
 Sacramento, California 95809 *cc*

NOV 1 1982

October 25, 1982

John Bridges  
 Director of Housing  
 Sacramento Housing & Redevelopment Agency  
 630 I Street  
 Sacramento, CA 95824

Dear Mr. Bridges:

SUBJECT: Ping Yuen Center  
 Project No. 136-44010-NP

Enclosed is a Management Review Report for the subject property. The report is the result of a management review made at the property recently, to assure full compliance with current HUD requirements.

Deficiencies found during the review are noted on the report. The legend of the report identifies corrective actions to be completed wherever found throughout the project.

If you are unable to correct the noted deficiencies or meet the time schedule noted on HUD Form 9834, or if you disagree with the findings in the Management Review Report, please notify us, in writing, no later than three weeks from the date of this letter. Otherwise, please forward a copy of the enclosed report to the individual responsible for accomplishing the needed correction.

Should you have any questions contact Fred Bell, of my staff, at (916) 440-2343.

Sincerely,

*Paul A. Pradia*  
 Paul A. Pradia  
 Deputy Supervisor  
 Housing Management, 19.8FM

Enclosure



48

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
HOUSING - FEDERAL HOUSING COMMISSIONER  
MANAGEMENT REVIEW REPORT

Use this form to summarize findings made on the Management Review Questionnaire (HUD-9834B)

PROJECT NUMBER: 136-44010-NP  
SECTION OF ACT: 221d4

PROJECT STATUS (Check applicable box):  
 Insured  HUD-Held  MIP  HUD-Owned

PURPOSE OF REPORT (Check applicable boxes):  
 Routine  Limited Review  Comprehensive Review  
 Troubled Project Analysis  Close-out of Relief Plan

TYPE OF PROJECT:  
 Subsidized  Unsubsidized

PROJECT NAME AND ADDRESS:  
Ping Yuen Center  
430 I Street  
Sacramento, CA

INSTRUCTIONS  
1. For each item reviewed, check block A, M, or I. Fully describe corrective action needed for each M or I item checked.  
A = Acceptable  
M = Management to correct within 1 year;  
I = Items requiring immediate action.  
2. After discussing items with owner or management agent, indicate in the Target Completion Date (TCD) column the estimated completion date.  
Mortgage Status (Check applicable boxes):  
 Current under mortgage  
 Delinquent under mortgage  
 Foreclosure in process  
 Current under workout/modification  
 Delinquent under workout/modification

Page 1 of 2 pages  
DATE OF INSPECTION: 9/29/82  
DATE OF THIS REPORT: 10/25/82  
NAME OF MANAGEMENT AGENT: Owner-SIIRA  
MANAGEMENT TERM: N/A thru  
NAME OF RESIDENT MANAGER: Bob Wiedman 446-7814  
DATE HIRED: 1969

REPORT BASED UPON: Mr. Wiedman  
 On-Site interview with: Stephen Fong  
 HUD occupancy review on  
 HUD physical inspection on  
 Visited agent's office with:

A. MAINTENANCE AND SECURITY		A	M	I	LEASING AND OCCUPANCY (Continued)		A	M	I
1. General Physical Appearance					25. Application Processing				
2. Work Scheduling					26. Recertification System				
3. Prevention Maintenance					27. Monthly Vouchers				
4. Unit Inspections					28. Eviction Procedures				
5. Vacant Unit Preparation					29. Tenant Files and Records				
6. Equipment and Inventory Controls					30. Leasing and Occupancy Rating				
7. Procurement and Supply Practices					<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory				
8. Security Program, and					<input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory				
9. Energy Conservation					D. TENANT/MANAGEMENT RELATIONS				
10. Maintenance and Security Rating					31. Tenant Participation				
<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input checked="" type="checkbox"/> Satisfactory					32. Provision of Tenant Services				
<input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory					33. Use of Community Space				
B. FINANCIAL MANAGEMENT					34. Tenant Satisfaction				
11. Accounting and Bookkeeping					35. Tenant/Management Relations Ratings				
12. Budget Management					<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory				
13. Cash Controls					<input type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory				
14. Cost Controls					E. GENERAL MANAGEMENT PRACTICES				
15. Submission of Reports					36. Owner Participation				
16. Financial Compliance					37. Organization and Supervision, and				
17. Rental Collection					38. Staffing and Personnel Policies				
18. Accounts Receivable/Payable					39. Operating Procedures and Manuals				
19. Reserves and Escrows					40. Training				
20. Financial Management Rating					41. Office Administration				
<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory					42. Insurance and Bonding				
<input checked="" type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory					43. Management Plan and Agreement				
C. LEASING AND OCCUPANCY					44. General Management Practices Rating				
21. Tenant Selection and Orientation					<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory				
22. Vacancy and Turnover					<input checked="" type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory				
23. Leases and Deposits					45. RATING OF OVER-ALL MANAGEMENT OPERATION				
24. Rent Schedule Compliance					<input type="checkbox"/> Superior <input type="checkbox"/> Above Average <input type="checkbox"/> Satisfactory <input checked="" type="checkbox"/> Below Average <input type="checkbox"/> Unsatisfactory				

REPORT PREPARED BY: NAME: Freddie D. Bell, TITLE: Loan Specialist, DATE: 10/25/82  
REPORT APPROVED BY: NAME: Rita Phillips, TITLE: Acting Chief, Loan Management Branch, DATE: 10/25/82

ITEM NO.	For each M and I item checked, describe findings and give recommendation for correction. Explain any "Below Average" or "Unsatisfactory" rating. Use Continuation Sheets (HUD-9834-A) as necessary.	Target Completion Date
1 & 3	<p>Finding: Dead tree located on street side of 4th street; severe erosion of shrub bed near southeast corner of east rear commercial building general at rear and on sides of rear building need to be trimmed and fertilized; and all flower and shrub beds need to be weeded. First and second floor exterior wood doors delaminated, and/or weathered at bottom.</p> <p>Recommendation: Remove dead tree on east (4th street) side of building; install bender board or some other barrier to prevent erosion around shrubs in bed at southeast corner of rear east building; trim and fertilize all existing project shrubs and ground cover as needed; weed all flower and shrub beds; Refinish or replace damaged exterior wood entry doors. 1/1/83</p>	10/29/82

CONTINUATION SHEET -- MANAGEMENT REVIEW REPORT

Page 2 of 2 Page

DATE OF INSPECTION

9/29/82

PROJECT NAME Ping Yuen Center	PROJECT NUMBER 136-44010-NP	DATE OF THIS REPORT 10/25/82	
DESCRIPTION OF PROBLEMS AND RECOMMENDATIONS FOR CORRECTION OR IMPROVEMENT (Continuation from Page 1, HUD-9834)		TARGET COMPLETION DATE	DATE COMPLETION VERIFIED
<p>3. <u>Finding:</u> Exterior siding and trim will soon require painting to prevent water seepage to interior of buildings. Monthly reserve account contributions should be reanalyzed.</p> <p><u>Recommendation:</u> Prior to your next rent increase application, we recommend you analyze the monthly contributions to the reserve for replacement account to determine if payments are adequate to meet the replacement needs of the project. We also recommend you analyze the need for a separate painting reserve for the project at the time of the reserve fund analysis, and if it is determined that there is a need for an increase in the monthly payments to the reserve account and a need for the establishment of a separate painting reserve fund, submit applications for both items at the time of your next rent increase application. Your applications should include the proposed annual cost of each fund requested. (Second Request)</p>			
<p>4. <u>Finding:</u> Front left burner on stove inoperable in apartment #124 and redecorating incomplete in apartment #108. <i>→ burnt was returned to mgmt</i></p> <p><u>Recommendation:</u> Repair or replace front left stove burner to make operable; complete cleaning and redecorating of apartment #108.</p>	<p><i>W/C 036716</i> Cleaning and <i>10/4/82</i></p>	<p>1/1/83</p>	
<p>12. <u>Finding:</u> Annual operating budget not available at site or rental office.</p> <p><u>Recommendation:</u> Keep annual approved budget on site and/or in rental office. Forward current copy of budget to HUD for review. (Second Request)</p>		<p>1/1/83</p>	
<p>15. <u>Finding:</u> Financial Statements for 1981 have not been submitted for the subject project.</p> <p><u>Recommendation:</u> Submit delinquent 1981 Financial Statements as required by outstanding HUD instructions. We remind you that these statements are due on HUD projects 60 days after the close of the projects fiscal year. We also note that the rent increase recommended in Item #12 will not be approved until the required statements are submitted. 12/1/82</p>			
<p>23. <u>Finding:</u> New HUD Model lease has not been submitted to HUD for approval or implementation.</p> <p><u>Recommendation:</u> Submit to HUD for approval, revised lease in accordance with the new instructions provided in HUD Handbook 4850.3. 1/1/83</p>		<p>1/1/83</p>	
<p>24. <u>Finding:</u> Rents for individual commercial units were unavailable at time of review.</p> <p><u>Recommendation:</u> Please submit a list of the commercial tenants at the project and the annual rent to be received for each.</p>		<p>1/1/83</p>	
<p>36. <u>Finding:</u> No Management Plan on site or at Rental Office at time of review.</p> <p>43 <u>Recommendation:</u> Submit current Management Plan to local HUD office for review.</p>		<p>12/1/82</p>	
<p>NOTE: Although there is a full-time maintenance man at this project, this complex does not have a resident manager. State law requires that a complex must have such a manager if it is composed of 16 or more units. We require full compliance with this law and advise that this change must be reflected in the current Management Plan to be forwarded to the local HUD office.</p>			
<p>41. <u>Finding:</u> There are no signs enabling tenant/applicants or the public in general to locate the Rental Office. There is also no Affirmative Fair Housing sign posted.</p> <p><u>Recommendation:</u> Post Affirmative Fair Housing sign and sign(s) enabling tenant applicants and the public in general to locate the Rental Office.</p>		<p>12/1/82</p>	



## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

June 14, 1983

Ms. Willie Mae Haskin  
Deputy Supervisor of Housing Management  
Sacramento Service Office, DHUD  
545 Downtown Plaza, Suite 250  
Sacramento, CA 95814

Dear Ms. Haskin:

Subject: Correction of Deficiencies Noted in Your  
Management Review Report for Ralph Kennedy  
Estates (Project No. 136-35484)

The following is a summary of findings of the above report  
and corrective actions underway or completed:

A. Deficiencies noted with respect to maintenance and  
security of structures.

Finding: Shubbery in need of trimming and grass sparse in  
spots.

Reply: Shubbery and plants were pruned on work order 034359.  
Grass was reseeded in spots where needed on work order  
034285.

Finding: Exterior complex in need of painting.

Reply: Painting of the exterior of the complex was completed  
on work order 033906.

Finding: Fence cut west side of project near 6523.

Reply: Fence was repaired on work order 024605.

Finding: Sprinkler system broken throughout project.

Reply: Sprinkler repairs completed on work order 035734.

Finding: Light fixture broken out in mail area.

Reply: Light fixture repaired on work order 033985.

Finding: The following patio's are littered with trash or debris: 6513 #4,2; 6515 #3; 6527 #2,4; 6525 #6,3; 6521 #4, 6523 #5,1 antenna attached to light; 6519 #4, 6511 #2.

Reply: Required corrective actions have been completed by residents.

Finding: The following units were inspected. Deficiencies are:

6511 #5, Hole in back room screen, front light fixture inoperable.

6511 #6, Screen pushed out.

6509 #3, Living room screen enmeshed, repair work needed on refrigerator, screen door attached.

6509 #7, Check for possible roof leak, screen door attached in violation of the Regulatory Agreement paragraph 6(d). Also attached is a sun shielding device which is in violation of paragraph 6(d) of the Regulatory Agreement and paragraphs 10 and 17 of the Deed of Trust.

6505 #4, Screen enmeshed.

6507 #7, Screen door attached in violation of paragraph 6(d) of the Regulatory Agreement and paragraphs 10 and 17 of the Deed of Trust.

6503 #3, Homemade screen door attached in violation of paragraph 6(d) of the Regulatory Agreement and paragraphs 10 and 17 of the Deed of Trust.

6515 #2, Patio screen door off.

6515 #2, Light fixture broken.

6513 #2, Light fixture broken.

6519 #4, Light fixture broken.

Reply:

6511 #5, Screen repaired on work order 036001. Light fixture repaired on work order 033985.

6511 #6, Screen repaired on work order 036002.

6509 #3, Screen repaired on work order 036003. Refrigerator repaired on work order 036004.

6509 #7, Roof leak was checked on work order 033948. Unauthorized materials have been removed.

6505 #4, Screen repaired on work order 036005.

6507 #7, 6503 #3, In the future, prior HUD approval will be required prior to installation of screen doors.

6515 #2, Patio screen door repaired on work order 036006. Light fixture replaced on work order 033985.

6513 #2, Light fixture replaced on work order 033985.

6519 #4, Light fixture replaced on work order 033985.

Finding: Playground equipment in need of replacing and painting.

Reply: Playground equipment was repaired and painted on work order 033988.

Finding: Slats missing throughout complex in chainlink fences.

Reply: Wood slats replaced as needed on work order 033984.

Finding: There was no preventive maintenance schedule on site for redecorating, periodic unit inspections, cleaning of carpets and drapes, etc. Although servicing schedules were posted in boiler rooms, they are not being maintained regularly.

Reply: It is the responsibility of the tenant to contact management regarding any cleaning needed of carpets and/or drapes. Work order 036007 was written to service the boiler rooms and the logs were updated at that time. Since all maintenance service is provided by the central maintenance shop, there is no maintenance schedule for on-site personnel.

Finding: There was no copy of the project as-built drawings on site.

Reply: The stationary engineer has provided the as-built drawings for the manager.

B. Financial Management Deficiencies

Findings: 1) The annual audited financial statement for fiscal year 1981 had not been submitted.

2) Unauthorized borrowing from the general fund to cover project deficits was noted.

3) Current rent schedule is insufficient to meet project needs.

Reply: Audited financial statements for fiscal years 1981 and 1982 were completed in March 1983. These have been submitted to HUD together with a request for a rent increase which, if approved, would eliminate project deficits and therefore the need to cover losses from other sources.

C. Leasing and Occupancy Deficiencies

Finding: The required security deposit was less than the HUD established maximum.

Reply: The required security deposit was increased to the HUD maximum (one month's rent or \$50, whichever is greater) in November 1982.

Finding: The new HUD model lease had not been implemented.

Reply: The Kennedy Estates lease is currently being revised by Agency legal staff in accordance with HUD handbook 4350.3 instructions. The revised lease will be submitted to HUD for approval prior to implementation.

Finding: The current HUD approved rent schedule was not on file at the project office.

Reply: The schedule has been posted.

Finding: Proper income limits were not being used.

Reply: HUD Section 8 Income Eligibility Limits with an effective date of April 1983 are currently in use.

D. Deficiencies noted with Respect to General Management Practices:

Finding: There is no current management plan or procedures manual for the project.

Reply: Management practices in effect for the Agency's Public Housing inventory are routinely applied to our Section 8 projects. These will be translated into the HUD Section 8 management plan format and submitted for HUD review and filing.

Finding: There is no sign on Elder Creek Road to enable tenant/applicants to easily locate the office.

Reply: Work Order 033906 has been issued to install an appropriate sign.

Ms. Willie Mae Haskin  
June 14, 1983

Page 5

If you require further information, please contact John Bridges, Director of Housing, at 440-1337.

Thank you for your cooperation and assistance.

Sincerely,

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director

WHE/KF/ri



48

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

June 14, 1983

Ms. Willie Mae Haskin  
Deputy Supervisor of Housing Management  
Sacramento Service Office, DHUD  
545 Downtown Plaza, Suite 250  
Sacramento, CA 95814

Dear Ms. Haskin:

Subject: Correction of Deficiencies Noted in Your  
Management Review Report for Ping Yuen  
Center (Project No. 13644010NP)

The following is a summary of findings of the above report  
and corrective actions underway or completed:

A. Deficiencies noted with respect to maintenance and  
security of structures.

Finding: Dead tree located on street side of 4th Street;  
severe erosion occurring in shrub bed near southeast corner  
of east rear commercial building; shrubs in general at rear  
and on sides of rear building need to be trimmed, watered  
and fertilized; and all flower and shrub beds need to be  
weeded. First and second floor exterior wood doors delamin-  
ated and/or weathered at bottom.

Reply: Dead tree has been removed on work order 033973.  
Required landscape improvements have been accomplished by  
the project landscaping contractor. A work order request  
has been initiated to refinish exterior doors.

Finding: Exterior siding and trim will soon require paint-  
ing to prevent water seepage to interior of buildings.  
Monthly reserve account contributions should be reanalyzed.

Reply: The establishment of a painting reserve has been  
requested in conjunction with the latest rent increase.



Finding: Front left burner on stove inoperable in apartment #124. Cleaning and redecorating incomplete in apartment #108.

Reply: Stove burner repaired on work order 036716. Vacate notice for apartment #108 was returned complete to management on 10/4/82.

B. Financial Management Deficiencies

Finding: Annual operating budget not available at site or rental office.

Reply: Copies of the annual operating budget have been distributed to project management staff.

Finding: Financial statements for 1981 have not been submitted for the subject project.

Reply: The required financial statements were submitted in March 1983 along with a request for a rent increase.

C. Deficiencies related to lease and occupancy procedures.

Finding: New HUD model lease has not been submitted to HUD for approval or implementation.

Reply: The model lease has been edited and submitted for HUD approval.

Finding: Rents for individual commercial units were unavailable at time of review.

Reply: Rents for commercial space are as follows:

1. Commercial Rents:

Action Bail Bonds	496 I Street #1-A	\$400.00
Laushan Chinese Smorgy	480 I Street	210.00
Senior Job Mart	404 I Street	725.00
Volunteer Bureau of Sacto.	458 I Street	<u>484.00</u>
	Subtotal	\$1819.00

Ms. Willie Mae Haskin  
June 14, 1983

Page 3

2. Governmental Agencies:

Senior Companion Program (SHRA)	\$ 140.00
Central Eligibility Office (SHRA)	1,676.25
Housing Rehabilitation (SHRA)	1,965.60
Data Processing (SHRA)	167.00
Revenue Sharing (County Health Dept.)	<u>400.00</u>
Subtotal	<u>\$4,348.85</u>

3. Total of 1 and 2 above \$6,167.85

D. Deficiencies noted with respect to general management practices.

Finding: No Management Plan on site or at rental office at time of review.

Reply: The Management Plan has been prepared and submitted for HUD approval.

Finding: There are no signs enabling tenant/applicants or the public in general to locate the rental office. There is also no Affirmative Fair Housing sign posted.

Reply: A work order to install the required signs has been initiated.

If you require further information, please contact John Bridges, Director of Housing, at 440-1337.

Thank you for your cooperation and assistance.

Sincerely,

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director

WHE/KF/ri