Low income housing: partments stay vaca

tion in Santa Cruz County these days forced to build low income the units," Perry said, there have been problems sales and rental units, but "there were only 11 (fami- with the Perry units. sales and rental units, but they can't seem to sell or lies) on the waiting list.

wound up buying five condominiums built under large families who would
provisions of the county's not qualify."

Measure J growth control
Housing Authority Operabedroom apartment. An
ordinance, but for which tions Director Gene Huffthe builder could find no man concedes that the

Now, another builder is reporting that five of the mandates of the county renters on short notice. Planning Department and mission, remain vacant.

units in his 27-unit Eldomany bedrooms, etc., the rado Commons townhouse federal government will subsidize.

tenants that meet the restrictions imposed on all residents of the development and who qualify for the Section 8 rent subsidy program administered by the Santa Cruz County Housing Authority.

It's not that there aren't people in Santa Cruz County looking for housing.

Perry is selling 20 of the 1,300-square-foot, two-story townhouses for \$140,000 plus, and reported last week that nine of the units are in escrow with another four in various stages of

closing.
No, the difficulty lies at the other end of the spectrum - matching people who can qualify for the federal rent subsidy, who have four or less people in the family and who need a three-bedroom apartment.

Perry complains that he has not been able to fill the rental units from the families that have been referred to him by the housing

authority because they were too large. In one case,a family was rejected because they wanted to keep a fighting cock in the apartment, a proposal that Perry said

"When we applied (to the eral treasury. - builders are Housing Authority) to rent

"We have a clause in the Santa Cruz County super-rules and regulations that the end of the eligibility isors earlier this month limits it to four people list," he said.

the builder could find no man concedes that the than four people narrows agency's list of eligible renters is low right now, but there is no way the seven low income rental Authority can expand its units he built under the pool of available Section 8

The Housing Authority, the regional Coastal Com- Huffman said, receives an allocation from the federal H. C. Perry included government each year, tell-seven of the low-income ing it how many units, how

and Capitola Road.

But now he complains used up," he said, "we that he can't find suitable have to stop."

Huffman said that the Housing Authority will probably reach the end of its eligibility list for this year in another two weeks. Then it will have to wait for a new federal allocation.

The Housing Authority goes through a lengthy procedure to take applications and then verify that the families do meet the federal government's standards for low income families.

In the Santa Cruz County area, a family of four can have a maximum income of \$17,000 to qualify for a rent subsidy. The ceiling raises or lowers, depending on family income.

"Once we verify the information, we issue a certificate of participation, good for 60 days," Huffman

The renter then takes that certificate to landlords offering homes or apartments meeting his needs.

Perry said his apart-ments will rent on the Housing Authority books for \$431 a month.

The certificate tells the landlord what portion the renter is expected to pay — 25 percent of his gross

There's a paradox in the stretched the "pets permisicnome — and the remain-"affordable" housing situa- sible" rule a little too far. der comes out of the fed-

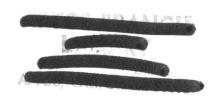
Huffman concedes that

"These are three-bedroom units and we are at

the market field considera-

A three-bedroom apartment or home would be considered suitable for a family of six, for example, if the mix was a married couple, two boys and two

But a mother with a teenage daughter and teenage



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son would also qualify for a three-bedroom unit under the federal rules, he said.

"We just didn't have that many three-bedroom certificates outstanding." Huffman said, and at the same time, the builder set a limit of four people.

Huffman doesn't criticize Perry for the limit of four people, but says it makes it difficult.

He also understands why Perry and other landlords are reluctant to rent to people who would have trouble paying full rent on below-average family income. He had offered Perry a list of people who had qualified for the subsidy program but who had not yet received their eligibility certificates.

What bothers Perry, he says, "is that the county

had to buy five units and we still have units to rent.

"If we get into the O'Neill Ranch with 25 percent of (nearly 400 residential units) as low income (units), it will be a monumental disaster."

In the floor plan and square footage, the low income rental and the highpiced sales units at Eldorado Commons are virtually identical. But there are differences.

In the sales units, an stall. elaborate upstairs full bath with partitioned shower and shower-tub is featured with skylights and deluxe fixtures.

Downstairs is a half-bath, carpet. a wood-burning fireplace and a breakfast barcounter separating the living room from the kitchen.

From the outside, the economy units appear the same and they are scattered through the project. Inside, however, changes are quite evident.

The downstairs half-bath is missing — there's a closet instead. The breakfast bar-counter is also gone and the rest of the kitchen is spartan.

Upstairs, the major difference is in the full bath. The skylight is gone and so is the separate shower

And the plush grade of carpeting found throughout the sales units has been downgraded to a serviceable, commercial grade

One of the marketing plans offered to the potential buyers of Eldorado Commons is a financing package that requires virtually no down payment.

Termed the investor's special, it includes the following points:

The sales price is \$140,000 plus \$2,710 (one-half of four and three-fourths points). for a total price of \$142,710.

purchase price is covered by a first trust deed (12.75 percent) of \$114,168.

down payment of \$28,542 is \$150; and title insurance picked up by a second trust and escrow, \$350.

deed which carries an 18 percent rate and is payable in two years.

Monthly payments are estimated to total \$1.710.82. broken down as follows: first trust deed, \$1,241.01: second trust deed, interest Eighty percent of the only, \$428.13; homeowner's fees, \$41.68.

The buyer would have to come up with \$3,212 cash: The normal 20 percent points, \$2,712; loan fee.