

SEVENTEENTH ANNUAL REPORT

THE HOUSING AUTHORITY

OF THE

CITY OF PROVIDENCE, RHODE ISLAND

**For The Year Ended
June 30, 1956**

THE HOUSING AUTHORITY
Of The
CITY OF PROVIDENCE, RHODE ISLAND

COMMISSIONERS

JOSEPH P. CARROLL, Chairman CORNELIUS J. MULCAHY, Vice-Chairman
PAUL C. PERROTTA, O. P. JOHN D. KIIMARTIN
HARRY B. FREEMAN

EXECUTIVE DIRECTOR
JOSEPH H. LYONS

GENERAL COUNSEL
ARTHUR FALCONE

IN CITY COUNCIL
JUN 5 - 1958

READ:
WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

H. Everett Whelan
CLERK

FOREWORD

Several years have elapsed since any historical or background material has been contained in a report of the Providence Housing Authority. It is our thought that brief references in this report to antecedent events might assist in a better understanding of the scope and objectives of the public housing program administered by this Authority. It is in this connection that organizational, legislative and previous actions are mentioned herein.

For some time prior to the enactment of public housing legislation, an aroused public was advocating strong measures to arrest the increasing deterioration of housing conditions, particularly in the older cities of this country.

Recognizing the seriousness of the situation, the Congress adopted the U. S. Housing Act of 1937. Anticipating this action by some two years, the Legislature of Rhode Island had enacted the "Housing Authorities Law", Chapter 2255, Public Laws of R. I., 1935. This Act empowered local authorities to enter into contracts, for financial assistance with the Federal Government and others, to undertake programs to provide sorely-needed decent, safe and sanitary dwelling accommodations for families of low income.

Pursuant to the aforementioned legislation, the City of Providence instituted the necessary technical steps culminating in the incorporation of The Housing Authority of the City of Providence, Rhode Island on July 11, 1939, as a public body, with jurisdiction to administer the public housing program in the City of Providence.

The Commissioners of the Authority initially named, David J. Barry, Robert F. Shepard, Cornelius J. Mulcahy, Reverend Paul C. Perrotta and Joseph J. Bodell, immediately commenced upon their duties. Whatever achievements the Authority has attained is due in great measure to the dedication, integrity, foresight and initiative of these men. The incumbent Commissioners are hopeful that they can continue the high standards maintained through the years.

The Authority is grateful for the understanding of all members of the City, State and Federal administrations which have cooperated with it since its organization in July, 1939. It is also appreciative of the cooperation and guidance of civic and social groups that have done so much to make its developments decent places in which to live.

SEVENTEENTH ANNUAL REPORT

The fiscal year July 1, 1955 to June 30, 1956, was the first full year that all of the Federal-aided developments were in a management status. During the previous fiscal year RI 1-4, Hartford Park was in the initial operating stage for the first three months. This gave the Authority responsibilities for administering 2,531 Federal-aided units and 256 City-aided units in the Valley View development, a total of 2,787 dwellings.

PHYSICAL PROPERTIES

The developments administered by this Authority are as follows:

<u>DESIGNATION</u>	<u>LOCATION</u>	<u>UNITS</u>
RI 1-1 - Chad Brown Houses	North End	312
RI 1-1A - Admiral Terrace	North End	278
RI 1-2 - Roger Williams Homes	South Providence	744
RI 1-3 - Coddington Court	Cranston Street (off)	119
RI 1-4 - Hartford Park	Olneyville	632
RI 1-6 - Hartford Park Ext.	Olneyville	116
RI 1-5 - Manton Heights	Manton Avenue	330
Valley View	Wanskuck	<u>256</u>
Total		2787

FINANCING

The construction of the Federal-aided developments was financed either, by advance loans from the Federal Government or proceeds from the sale to private sources of short term temporary notes to the lowest bidder, repayment of which were guaranteed by the Federal government. Upon determination of the total development cost, the outstanding indebtedness was refinanced by issuance of permanent bonds, also sold to private sources on the basis of a low bid and repayment also guaranteed by the Federal government.

The construction of the City-aided development was financed from the proceeds of the sale of bonds by the City for that specific purpose. Repayment of such bonds are being made from the rentals at the development.

DEVELOPMENT OF PROGRAM

The construction of the two original developments of the Authority, Chad Brown Houses and Roger Williams Homes, with a total of 1056 dwelling units, started in 1941 and both were completed in 1942 and 1943, respectively.

Codding Court and Admiral Terrace comprising 397 units were planned in the original program. Because of the rising costs late in 1941 and early in 1942, the Authority was required to defer the construction of these developments. Continued increases in costs after the war further postponed any question of reactivating these developments because the United States Housing Act of 1957 provided a cost limitation of only \$4,000.00 per dwelling unit. When the 1949 Housing Act was enacted, with increased limits based on prevailing costs, these two developments were among the first to be reactivated and put under construction because all preliminary work had been completed and the original plans and specifications needed only minor changes for bidding purposes. They were both let out for bids early in 1950 and completed and occupied the following year. The Authority was fortunate in getting them under contract before the even greater increase in costs brought about by the Korean War.

The Hartford Park and Manton Heights developments were initiated under the 1949 Housing Act and all preliminary work and planning was required before bids could be taken in the spring of 1951. By that time Korea was a battleground and the expansion of private industry and the scarcity of material and labor had increased construction costs to an all-time high. These developments were completed and occupied during 1953.

It is perhaps interesting to note that the total development cost at Roger Williams Homes, with construction starting in 1941, was \$3,460,940

for 744 units. Twelve years later, in 1953, the total development cost at Hartford Park was \$9,612,581 for 748 units, only four more than Roger Williams Homes, but at an increase of 178% over the 1941 costs.

It became apparent during 1946 that returning veterans of World War II were encountering serious difficulty in obtaining adequate housing. Mayor Dennis J. Roberts, through a citizens committee, concerned with this mounting situation, undertook a comprehensive study of the matter. After various plans were explored it was concluded that the most feasible would be the assignment of the Providence Housing Authority to carry out the development of a program of housing for such veterans.

Because of the limitation restricting costs to pre-war prices in the existing Federal Housing laws it was impossible to construct any public housing with the financial assistance of the Federal government. Under those circumstances the City, after authorization by the legislature, proceeded to hold a referendum to issue bonds for this specific purpose. The voters approved the bond issue.

Before the Authority could proceed it was necessary to amend several provisions of the State laws in connection with public housing. These preliminaries were resolved in 1947 and thereafter the Authority undertook the development of the program to provide the necessary housing.

Selection and acquisition of the site and preparation of the plans and specifications proceeded. Bids were received, contract awarded in the sum of \$2,428,377.00 and construction commenced in June of 1948 with initial completion and occupancy in September, 1949.

ADMINISTRATION

Admission to the Federal-aided developments is limited to the lower income families with maximum admission and continued occupancy

income limits set in cooperation with the Public Housing Administration. For a family with no children, the rent including normal utilities, averages 20% of the monthly income. As the family increases in size a deduction of \$100.00 is allowed for each minor with the result that larger families may pay as low as 15% of their monthly income. Apartments are assigned according to family need and have one to five bedrooms.

In the City-aided Valley View development, the income limits for admission are higher, with all eligible families paying the same amount of rent for a particular size unit.

During the course of operation the Authority must set its rents, at the Federal-aided developments, so that the income from that source will be sufficient to pay all operating and administration costs, exclusive of debt service, and to build up reserves over a ten year period that will enable major repairs and replacements to be made without seeking additional funds from other sources.

At the Valley View development the rentals must be sufficient to provide for operating and administration expenses, reserves for repairs, maintenance and replacements, plus the sum of \$80,000 annually to the City for amortization of the bonds. There is no subsidy from the City of Providence as such, but because of full tax exemption it is possible to maintain rents at a level below that which private enterprise would require.

The Federal-aided Program is administered under two annual contribution contracts with the Public Housing Administration. The first includes Chad Brown Houses, Admiral Terrace, Roger Williams Homes and Codding Court. The second comprises the two adjacent developments, Hartford Park and Hartford Park Extension, which are operated as one, and Manton Heights.

The contract with the Public Housing Administration provides for an annual subsidy up to the amount necessary to pay complete debt

service costs and any income clearance in the Authority's operations, after reserves, is used to reduce the amount of annual subsidy. It also provides for supervision by the Public Housing Administration in order to assure compliance with Federal, State and local laws and to see that operations are conducted efficiently and in a businesslike manner. Once a year a fiscal audit is conducted by the fiscal branch of the Public Housing Administration and at other times there are audits for tenant occupancy, management, and maintenance.

The City-aided program at Valley View has a fiscal audit by the Rhode Island State Bureau of Audits in conjunction with the financial audit for the City of Providence. All other operations of this development are conducted with the same standards governing the operation of the Federal-aided program.

The City-aided development, Valley View, is administered by the Authority under a separate cooperation agreement with the City, which provides for the payment of \$80,000 annually to the City out of the revenues. This payment will eventually reimburse the City for the indebtedness incurred in the construction of this development.

MANAGEMENT

The management of the 2,531 units in the Federal-aided program presents the greatest challenge to this Authority because it constitutes 91% of the total program. Completed during the World War II years the original 1,056 units were occupied to capacity during the war by a majority of war workers. At the cessation of hostilities those war workers returned to their own communities thus freeing 675 units for local families.

The management experience at all developments of the Authority is indicative of the changing times. In Providence there is an annual

turnover of 23% which indicates that the average family spends about four years in public housing residence. This is the same as experienced in other communities throughout the nation. Initially, families are housed because they had been living in substandard or overcrowded housing. If, during their stay in public housing, their economic circumstances improve to the point where their annual income is beyond the continued occupancy limit, they are required to find other accommodations. In cases such as this we find that many families purchase homes of their own or move to neighborhoods with better housing than they had previous to their admission to public housing. Others move for a variety of reasons such as a desire to be near a place of employment and, in many cases, the desire to be near relatives.

The management office at each development is charged with the full responsibility of conducting the occupancy and routine maintenance operations. Families are assigned units from each management office. Rents are paid there and, at least once a year, the eligibility status of every family is redetermined by the submission of what amounts to a new application for housing. Every attempt is made to create an atmosphere in keeping with good livability and particularly one which will promote better citizenship.

Each development, with the exception of Hartford Park, has a community room specifically designed for the encouragement of activities that will benefit the neighborhood. Hartford Park has no community room, although other facilities are available for tenant use, because the Public Housing Administration felt that the fine community facilities in the Oliver Hazard Perry Junior High School could be made available to the neighborhood.

The Authority may not expend funds for the promotion and supervision of community activities but may spend a limited amount for mater-

ials and equipment. The facilities are available to public recreation groups and civic organizations that may request them. During the past year in addition to activities sponsored by groups within the developments, facilities of the Authority have been used by the Providence Health Department for clinics, the Nickerson House, Boy Scouts, religious services and activities of the elderly in the various community rooms.

In spite of the rising cost of labor and materials the Authority has managed to keep the total operating cost of each development well below the total operating income as the Statement of Income and Expense will show later in this report. However, in order to insure economic feasibility, the continued increases for these two items and the necessity to give preference to the lowest income families displaced by Redevelopment programs and other public improvements, it may become necessary for the Authority to revise the rent schedules during the next few years.

There is particular concern with respect to the number of elderly that will seek accommodations because of relocation needs. This group is already in the very lowest income brackets and in the majority of cases their rents are in the lowest grades. Strict economies in operation and the adoption of new methods will not be enough to insure financial solvency if the cost of labor and material continues to rise as it has during the past six years.

When Hartford Park and Manton Heights were preparing for initial occupancy a tenant selection office was established in Olneyville Square to serve these two developments. After the initial operating period tenant selection for all Federal-aided programs was consolidated in that office. In December of 1955 this office was moved to the Central Office of the Authority at Chad Brown Street, resulting in a saving of \$1,976

yearly. To make way for this new location of tenant selection, the office of the supervisor of maintenance and development was moved to a new location in the Manton Heights Administration Building. At the same time other consolidations were effected in the Central Office that resulted in a savings of \$3,640.00 per year.

During the first ten years of operation the annual reexamination of tenant's status for eligibility was conducted in the spring of the year. This resulted in a heavy workload from February through June and a lighter program of activity during the summer and fall. During the past year this reexamination was put on a staggered basis so that every three months 25% of the families are reexamined. This gives the management offices a steady workload throughout the year and reduces the necessity of part-time help when this requirement was conducted in the spring.

The Valley View Development on June 30, 1956 completed six full years of management operation. During this time every apartment has paid full rent on every day of operation without a single day of vacancy or any loss since the period of initial occupancy. This amazing record has enabled the Authority to keep this development in first-class condition and build up reserves that should assure the financial stability of the development whenever replacements are required during the next ten years.

MAINTENANCE

The maintenance of the developments of the Authority is a full-time operation. Experience is that during the first ten years of operation most developments need only routine maintenance. After that, however, major maintenance of equipment and buildings is required and in some cases reserves must be used for repairs and replacements.

The Chad Brown and Roger Williams Developments were built in the early days of public housing and strict economies were practiced in laying

out the site improvements. As a consequence, facilities were inadequate and planted areas were more extensive than proved practical. It also became apparent within a few years after occupancy that the drainage was inadequate, resulting in considerable erosion and unsightliness.

As far back as 1946 this Authority recommended to the Public Housing Administration that the grounds and site improvements at Chad Brown Houses and Roger Williams Homes be extensively rehabilitated and that areas subjected to the harder usage be surfaced with asphalt. Discussions along these lines went on for several years because most planners were reluctant to use the harder surface. When the Authority proved to the Public Housing Administration, through the experience at Coddington Court and Admiral Terrace, that its ideas were practical, permission was given to prepare plans and specifications for extensive site renovations at Roger Williams Homes. The work went out for bid in September of 1955 and awarded to the AAA Construction Company for the sum of \$138,000.00. When this work is completed, it is expected that similar work will be done at Chad Brown Houses.

As the first two developments approach the age of 20 years it will become necessary to think of major improvements such as the replacement of gas ranges, refrigerators and roofs. At the present time our maximum reserves in the Federal-aided program are based on an average yearly spending for a 10-year period. In this way reserves bear no resemblance to the replacement cost; the thrifty authority is penalized and the one with the highest expenditure is rewarded. At the City-aided development, Valley View, reserves are based on total cost of replacements.

The Providence Housing Authority is fortunate in that 78% of its dwellings are in first-class masonry buildings. These structures have required little maintenance except for painting of trim and sash. However,

the 638 units in the frame dwellings require constant attention. During the first ten years of operation it has been our experience they will need at least three painting cycles. Most people prefer the wood buildings, but the Authority feels that the masonry buildings are less costly to maintain and are adequate for good housing.

PAYMENTS IN LIEU OF TAXES

When the Providence Housing Authority was first organized in 1939 the cooperation agreement with the City of Providence provided for full tax exemption of the Federal-aided developments during the period that annual contributions were received from the Public Housing Administration.

During World War II this Authority, like many others, in order to help the local defense plants house their workers, was required to convert its developments to defense housing projects. As a consequence, the rentals were much higher than ever anticipated because the majority of the families housed were in the upper income brackets during the war years. With the higher operating income the Authority was permitted to make a voluntary payment in lieu of taxes to the City of Providence. After World War II many of these war-time tenants continued in residence because there were no facilities in private housing to take care of the demand increased by the formation of new families. Under these circumstances the voluntary payment in lieu of taxes was continued.

The Housing Act of 1949 permitted local authorities to enter into a new cooperation agreement with the City providing for a permanent arrangement of an annual payment in lieu of taxes to the local community. This was done in Providence and from the beginning through June 30, 1956 payments in lieu of taxes have aggregated \$475,635.39. For the past year

alone the payment amounted to \$75,982.54. The annual payments are based upon 10% of shelter rents, which is the income received from gross rents less the cost of utilities.

EMPLOYEES

To operate the developments of the Authority there were 125 employees on the staff as of June, 1956, 93 of whom were charged to maintenance and 32 to the central offices. The wages for these employees are set by agreement with the Public Housing Administration on the basis of comparability with other agencies or firms engaged in a similar business. The performance and cooperation of the employees of the Authority have done much to make the developments decent, safe and sanitary places in which to live.

By reason of the enactment of new Federal legislation it became possible for all employees of the Authority to be covered by the Old Age and Survivors Insurance benefits of the Social Security System. In order to carry this and also the private pension plan of the National Health and Welfare Association, contributions to the latter were reduced from 5% to 3- $\frac{1}{2}$ % of the weekly payroll. This combination of a pension plan and the Social Security Coverage, results in a death benefit equal to at least seven months pay from the pension plan, as well as survivors insurance for families with children and, in addition, at age 65 provides for a combination pension plan.

RECOMMENDATION

The Authority believes that there is ample public housing in the community to enable it to take care of the needs of the low income population now living in sub-standard housing, except for the elderly who might have to be relocated for future Redevelopment and highway

purposes. Recently enacted Federal legislation makes special provision for this group. The Authority recommends to the City that some thought be given to the needs of this group and requests its cooperation in formulating plans to provide decent housing for those with the very lowest income who are least able to afford the rents required by private enterprise.

STATEMENT OF INCOME AND EXPENSE

FOR FISCAL YEAR ENDED JUNE 30, 1956

CHAD BROWN - ADMIRAL TERRACE - ROGER WILLIAMS - CODDING COURT

ANNUAL CONTRIBUTIONS CONTRACT B-41

	<u>Amount</u>	<u>PUM *</u>
<u>Operating Income:</u>		
Dwelling Rental	567,896.90	32.57
Excess Utilities	9,116.19	.52
<u>Total Rental Income</u>	577,013.09	33.09
Sales and Services to Tenants	1,352.93	.08
Miscellaneous Project Income	2,513.08	.14
Interest on General Fund Investments	4,095.00	.24
<u>Total Operating Income</u>	584,974.10	33.55
<u>Operating Expense:</u>		
Management Expense	73,331.17	4.21
Operating Services	33,781.01	1.94
Utilities	157,945.58	9.06
Repairs, Maintenance and Replacements	178,569.35	10.24
Insurance	7,636.17	.44
Payment in Lieu of Taxes	41,906.75	2.40
Contribution to Retirement Funds	12,756.36	.73
Supplemental Community Services	198.97	.01
Collection Losses	6,835.47	.39
Cost of Sales and Services to Tenants	1,352.93	.08
Other Expenses	(32.00)	-
<u>Total Operating Expense</u>	514,281.76	29.50
<u>Net Operating Income</u>	70,692.34	4.05
<u>Other Charges and Credits:</u>		
Property Betterments and Additions	123,749.17	7.10
Prior Year Adjustments	(403.15)	(.03)
Total	123,346.02	7.07
<u>Net Deficit Before Provision for Reserves</u>	52,653.68	3.02
Provision for Reserves	(52,653.68)	(3.02)
<u>Residual Receipts-Current Year</u>	-0-	-

*Per Unit Monthly.

CHAD BROWN - ADMIRAL TERRACE - ROGER WILLIAMS - CODDING COURT

B A L A N C E S H E E T

JUNE 30, 1956

A S S E T S

Cash in Bank and on Hand		2,055.27
<u>Accounts Receivable</u>		
Tenants	13,891.99	
Sundry	1,484.92	15,376.91
Advances to Revolving Fund		39,000.00
Investments - General Fund		239,895.00
<u>Deferred Charges</u>		
Prepaid Insurance	6,819.03	
Insurance Deposits	11,172.61	
Inventories	7,266.46	25,258.10
Land, Structures and Equipment		8,685,391.41
Fiscal Agent Funds		2,189.18
		<hr/>
<u>Total Assets</u>		<u>9,009,165.87</u>

LIABILITIES

<u>Accounts Payable</u>		
Vendors and Contractors	40,932.88	
Contract Retentions	7,907.81	
Tenant Security Deposits	13,238.67	
Sundry	4,557.10	66,636.46
<u>Accrued Liabilities</u>		
Interest Payable - Bonds	12,320.92	
Salaries and Wages	4,826.39	
Payments in Lieu of Taxes	41,964.52	59,111.83
<u>Deferred Credits</u>		
Unamortized Bond Premium	79,034.09	
Sundry	4,164.03	83,198.12
<u>Fixed Liabilities</u>		
Bonds Issued	7,480,000.00	
Less - Bonds Retired	524,000.00	6,956,000.00
Cumulative PHA Contributions		644,549.18
Reserved Surplus - Operating Reserve		159,847.32
Unreserved Surplus		1,039,822.96
		<hr/>
<u>Total Liabilities</u>		<u>9,009,165.87</u>

STATEMENT OF INCOME AND EXPENSE

FOR FISCAL YEAR ENDED JUNE 30, 1956

HARTFORD PARK, MANTON HEIGHTS & HARTFORD PARK EXTENSION

ANNUAL CONTRIBUTIONS CONTRACT B-89

	<u>Amount</u>	<u>PUM *</u>
<u>Operating Income:</u>		
Dwelling Rental	475,208.30	36.73
Sales and Services to Tenants	1,088.29	.08
Miscellaneous Project Income	1,747.88	.14
<u>Total Operating Income</u>	<u>478,044.47</u>	<u>36.95</u>
<u>Operating Expense:</u>		
Management Expense	59,257.23	4.58
Operating Services	27,247.45	2.11
Utilities	142,750.07	11.04
Repairs, Maintenance and Replacements	100,095.99	7.74
Insurance	9,460.80	.73
Payments in Lieu of Taxes	33,245.82	2.57
Contribution to Retirement Funds	8,986.23	.69
Supplemental Community Services	94.09	.01
Collection Losses	686.80	.05
Cost of Sales and Services to Tenants	1,088.29	.08
<u>Total Operating Expense</u>	<u>382,912.77</u>	<u>29.60</u>
<u>Net Operating Income</u>	<u>95,131.70</u>	<u>7.35</u>
<u>Other Charges and Credits:</u>		
Property Additions	2,607.66	.20
Prior Year Adjustments	(861.10)	(.07)
Total Other Charges and Credits	<u>1,746.56</u>	<u>.13</u>
<u>Residual Receipts Before Provision for Reserves</u>	<u>93,385.14</u>	<u>7.22</u>
Provision for Reserves	<u>6,876.25</u>	<u>.53</u>
<u>Net Residual Receipts</u>	<u>86,508.89</u>	<u>6.69</u>

*Per Unit Monthly.

HARTFORD PARK, MANTON HEIGHTS & HARTFORD PARK EXTENSION

B A L A N C E S H E E T

JUNE 30, 1956

A S S E T S

Cash in Bank and on Hand		61,841.42
<u>Accounts Receivable</u>		2,081.37
Advances to Revolving Fund		30,000.00
Investments - General Fund		43,200.00
<u>Deferred Charges</u>		
Prepaid Insurance	5,324.33	
Insurance Deposits	10,821.27	
Inventories	4,586.16	20,731.76
Land, Structures and Equipment		13,762,110.83
Fiscal Agent Funds		<u>14,010.76</u>
<u>Total Assets</u>		<u>13,933,976.14</u>

LIABILITIES

<u>Accounts Payable</u>		
Vendors and Contractors	4,883.18	
Contract Retentions	2,000.00	
Tenant Security Deposits	10,530.00	
Sundry	2,200.00	19,613.18
<u>Accrued Liabilities</u>		
Interest Payable	32,826.86	
Salaries and Wages	3,279.47	
Payments in Lieu of Taxes	34,018.02	70,124.35
<u>Deferred Credits</u>		
Unamortized Bond Premium	92,576.10	
Tenants Prepaid Rents	2,581.66	95,157.76
<u>Fixed Liabilities</u>		
Bonds Issued	13,580,000.00	
Less - Bonds Retired	707,000.00	12,873,000.00
Cumulative PHA Contributions		1,391,017.70
Reserved Surplus - Operating Reserve		29,826.25
Deficit		<u>(544,763.10)</u>
<u>Total Liabilities</u>		<u>13,933,976.14</u>

STATEMENT OF INCOME AND EXPENSE
FOR FISCAL YEAR ENDED JUNE 30, 1956
V A L L E Y V I E W

<u>Operating Income:</u>	<u>Amount</u>	<u>PUM*</u>
Dwelling Rental	141,367.49	46.02
Heat and Hot Water	<u>31,632.00</u>	<u>10.30</u>
<u>Total Rental Income</u>	172,999.49	56.32
Sales and Service to Tenants	281.23	.09
Miscellaneous Project Income	<u>2,540.70</u>	<u>.82</u>
<u>Total Operating Income:</u>	175,821.42	57.23
<u>Operating Expenses:</u>		
Management Expense	15,240.21	4.96
Operating Expense	6,012.49	1.96
Utilities	32,637.88	10.62
Repairs, Maintenance and Replacements	28,122.92	9.16
Insurance	5,963.82	1.94
Contribution to Retirement Funds	2,286.27	.74
Supplemental Community Services	67.76	.02
Cost of Sales and Services to Tenants	<u>281.23</u>	<u>.09</u>
<u>Total Operating Expenses:</u>	<u>90,612.58</u>	<u>29.49</u>
<u>Net Operating Income:</u>	85,208.84	27.74
<u>Other Charges:</u>		
Property Replacement	<u>1,214.81</u>	<u>.40</u>
<u>Residual Receipts Before Debt Service</u>	83,994.03	27.34
<u>Debt Service, City of Providence</u>	<u>80,000.00</u>	<u>26.04</u>
<u>Net Residual Receipts</u>	<u>3,994.03</u>	<u>1.30</u>

*Per Unit Monthly

V A L L E Y V I E W
B A L A N C E S H E E T

JUNE 30, 1956

A S S E T S

Cash in Bank and on Hand		
General Fund	32,383.53	
Petty Cash Fund	50.00	
Change Fund	50.00	32,483.53
<u>Accounts Receivable</u>		
Tenant's Accounts		18.25
Revolving Fund Advance		8,000.00
Investments - General Fund		75,600.00
<u>Deferred Charges</u>		
Insurance	3,077.58	
Inventory - Material & Supplies	3,006.94	6,084.52
Development Costs		2,814,922.36
		<hr/>
<u>Total Assets</u>		<u>2,937,108.66</u>

LIABILITIES

<u>Accounts Payable</u>		
Vendors and Contractors	3,762.04	
Bonds - City of Providence	2,352,500.00	
Tenant's Security Account	5,055.56	2,361,317.60
<u>Accrued Liabilities</u>		
Salaries and Wages		725.94
<u>Deferred Credits</u>		
Tenants prepaid rent		1,596.50
Development Liquidation		480,000.00
Operating Reserves		93,468.62
		<hr/>
<u>Total Liabilities</u>		<u>2,937,108.66</u>

EIGHTEENTH ANNUAL REPORT

THE HOUSING AUTHORITY

OF THE

CITY OF PROVIDENCE, RHODE ISLAND

**For The Year Ended
June 30, 1957**

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Of The
CITY OF PROVIDENCE, RHODE ISLAND

COMMISSIONERS

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ARTHUR FALCONE

IN CITY COUNCIL
JUN 5 - 1958

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WHEREUPON IT IS ORDERED THAT
THE SAME BE RECEIVED.

D. Everett Whelan
CLERK

HIGHLIGHTS

The most heartening changes in the administration of the Federal-aided public housing program during the fiscal year July 1, 1956 through June 30, 1957 were the amendments to the U. S. Housing Act enacted by Congress in August of 1956 which benefited the elderly. From the adoption of the first housing act of 1937 through August of 1956, elderly couples were required to meet all the eligibility requirements of other applicants. Individual elderly people were denied admission because they did not meet the definition of a family, i.e., two or more related persons. The 1956 amendments provided a new definition that the term "family" included a "single person 65 years of age or over". In addition, the 1956 act waived the requirement for previous residence in sub-standard housing for all couples and individuals 65 or over and increased the room cost construction by \$500.00 for units specifically designed for the elderly.

The initial administrative rulings on the new legislation permitted single elderly to be housed only if they were being displaced by Redevelopment projects or other public improvements. A further administrative restriction provided for housing of single elderly only on condition that there were no two-person families on the eligible list. There was also a restriction limiting such housing to Authorities that had units designed specifically for the elderly.

A change in the regulations gave single persons over 65, displaced by public projects, preference over other applicants whether or not there were two person families awaiting their turn and further allowed occupancy by single persons of units designed for two-person occupancy. This change allowed the Providence Housing Authority to house ten single persons displaced by the West River Redevelopment Project.

The publicity given these eligibility changes resulted in a flood of applications which on June 30th, 1957 amounted to 30% of the total one-bedroom units available in the local program. Considering that out of 533 one-bedroom units there is an annual turnover of only 50 units, it was evident that some thought should be given to the possibility of either converting some of the present apartments for housing the elderly or embarking on a new program for this specific purpose.

In December of 1956, 80% of our vacancies were in three bedroom size units which did not lend themselves to conversion. Although the ratio of vacancies was higher than was desired, the Authority was not alarmed because future action in Redevelopment areas and the displacement of families for highway purposes in the next few years should make these three bedroom units a much-desired addition to the supply of low-income housing. However, these large units would be of little value to the elderly couples or single elderly who constitute a good proportion of those families displaced by public action. If all of the 533 one-bedroom units had been fully occupied before the eligibility of single persons, what would the Authority do about single elderly applicants who were recently made eligible?

The publication "Old Age in Rhode Island" released by the Governor's committee to study problems of the aged in July, 1953, stated that there were 11,690 single men with a median income of \$812.00 yearly in the State of Rhode Island and 28,280 single women with a median income of \$538.00 per year. Since Providence contained 30% of the population of the State, it could be that some 12,000 of these single elderly men and women lived in the City. On the basis of their low income, many of them are required to live in the low-rent districts which are always a target for displacement by public improvements.

On the basis of public interest expressed in applications to the Authority, and mindful of the number of single elderly encountered in the West River Development Project, the Executive Director of the Authority met with Mayor Walter H. Reynolds early in January of 1957 to discuss the reaction of the City of Providence in connection with planning some additional public housing units exclusively for the elderly. After lengthy discussions on the matter, and being particularly mindful of the extension of Redevelopment projects and other proposed public improvements, the Mayor asked the Executive Director of the Authority to make a study of the matter.

At the January meeting of the Authority, the Executive Director was authorized to explore the possibility of a program designed exclusively for the elderly. The matter was discussed with Public Housing Administration officials in New York and on January 25th, the Authority transmitted a request for approval to resume planning on the balance of units remaining from the original program reservation made possible under the United States Housing Act of 1949.

At the February meeting of the Authority, the Executive Director was authorized to take all necessary steps in connection with developing a program for the elderly and the architectural firm of Greer, Kent, Cruise & Aldrich was selected to do the planning.

On February 20th, Authority representatives met with the staff of the City Plan Commission to discuss proposed sites. The Executive Director mentioned the necessity of building any new developments as near as possible to existing ones because the minimum rent that could be afforded by elderly people would make economical operation extremely necessary. The Authority was interested in a site of about eight house lots adjacent to the Chad Brown development and also the Laurel Hill playground, south of the Hartford Park Development. These tentative sites were proposed to

the Public Housing Administration in March and the City Plan staff continued to study the feasibility of their use for this purpose.

The Authority made a formal request to the City of Providence for the use of the Laurel Hill playground on April 17, 1957 pointing out that there was an area to the rear of the Oliver Hazard Perry Junior High School that might be substituted for the limited activities that took place at the Laurel Hill playground. Mayor Reynolds called a meeting to discuss the matter on May 1, 1957, at which representatives of the Housing Authority, City Plan Commission and the Advisory Board of the Providence Recreation Department were present. On the basis of the statistics presented by the staff of the City Plan Commission and the Recreation Department, showing that the Hartford Avenue area as the fastest growing area in this City and in view of the fact that many of those present deplored the reduction in play spaces available to the children of Providence, Mayor Reynolds thought it best to defer any action on the request of the Authority with respect to this site. The Authority, in turn, notified the Public Housing Administration of the unavailability of the playground and asked for a limited program of 36 units on the site adjacent to Chad Brown Houses. On June 25, 1957 the Public Housing Administration authorized the Authority to resume planning for a program utilizing this site.

During the last six months of this year the thinking of the federal administrators of the low-rent program has been changing in regard to the selection of sites and the type of dwellings that may be built. It may be that within the next few years, selected sites of limited size will be approvable for the erection of public housing in keeping with the type of housing now existing in the particular neighborhood. This would do much to alleviate the critical shortage of housing for the elderly within the means of their limited budgets and allow many to remain in their own neighborhoods.

The second major activity of the Authority during the past fiscal year was the award of a contract to renovate all the grounds and site improvements at the Chad Brown Houses development. As mentioned in previous reports, this development and Roger Williams Homes, were built at a time when no one knew what to expect in outside activities and very restrictive cost limitations were in effect. As a consequence, extensive impractical lawn areas were installed and facilities for the drainage of surface water were at a minimum. It was not long after initial occupancy before the grounds became unsightly because of intensive use and erosion.

After approval of the plans by the Public Housing Administration, bids were received and the work was awarded to the Rex Construction Company on the basis of their low bid of \$135,687.00. This was about 25% below the estimate and was approved immediately by the Public Housing Administration. When this work is completed, all the developments of the Authority will present a much more attractive appearance considering the number of people occupying the limited area.

FINANCIAL

The Authority has two contracts for financial assistance with the Public Housing Administration for the operation of seven Federal-aided developments and one cooperation agreement with the City of Providence for the operation of the City-aided Valley View Development. The first contract with the federal government includes Chad Brown, Admiral Terrace, Roger Williams and Coddington Court with a total of 1,453 dwelling units. The second contract includes Hartford Park, Hartford Park Extension and Manton Heights, with a total of 1,078 units. The Valley View Development has 256 dwelling units. The developments included under the first contract had a total operating income of \$591,586.67, total operating expenses of \$520,830.49, for a net operating income of \$70,756.18. In normal years,

this net income is transferred to debt service in order to reduce the amount of federal subsidy. However, at the end of June 30, 1957, \$25,158.46 was charged to the expenses of site improvements at Roger Williams Homes and \$45,597.72 was added to the reserves in order to help defray the site improvement costs at Chad Brown Houses. On a unit basis, the average monthly income for this group was \$33.93 with an operating cost of \$29.87. This left a net balance of \$4.06 per unit monthly.

The developments included in the second contract had a total income of \$477,360.85, total operating expenses of \$396,489.77 for a net operating income of \$80,871.08. Other charges and credits were \$8,016.28 leaving residual receipts of \$72,854.80. Provision for reserves used up \$20,157.75 and the remainder \$52,697.05 was used for the reduction of federal subsidy. On a present monthly unit basis, the income at the Hartford Park group was \$36.90 with operating expenses of \$30.65, leaving a monthly net balance of \$6.25 per unit.

At the Valley View Development, the total income was \$177,637.88, total operating expenses were \$96,066.72, leaving a net operating income, before debt service, of \$81,571.16. After payment, under the agreement with the City of Providence, in the amount of \$80,000.00 the net residual receipts were \$1,571.16 and this sum was transferred to reserves.

The constant increase in the cost of labor and material in the operation of the developments of the Authority necessitates a close watch over operating expenses because of the limited income that the Authority receives from its tenants representing the lowest income families in the community. If the tenancy were made up exclusively of wage earners, it is very likely that the income received from rentals would increase as wages increase in the locality. However, 25% of the families in the federal program are welfare recipients and their rents are set by agreement

with the Rhode Island State Department of Welfare. In addition to this, we have many retired families living on private pensions and old age assistance, all of whose rents are in the lowest category. If changes were made in the rent schedule to gain more income, the minimum rents would have to be increased to a point that would reflect the increased cost at the present time. The Authority has hesitated to do this because it would necessarily affect the families least able to afford the increased cost.

At the Valley View Development the policy in connection with maximum reserves has been set with the total cost of replaceable items in mind. During the past year the Authority approved a resolution setting the maximum reserves at \$148,320.00 for repairs, maintenance and replacement. On June 30, 1957 there was \$89,817.64 in this account. For vacancy and collection loss, the policy is to set aside each year an amount equal to 3% of the dwelling rents including utilities. Such losses are to be charged to this reserve account. The total maximum reserve allowable is 25% of the current annual dwelling rent including heat charges. On June 30, 1957 there was \$5,222.14 in this account.

PAYMENT IN LIEU OF TAXES

By agreement with the City of Providence, the Authority makes annual payments to the City in lieu of taxes. The formula used for this payment is 10% of the shelter rent, which is the gross rent less the cost of all utilities. The payment for the past fiscal year, on this account is \$74,157.53. This makes a total of \$549,792.92 received by the City in lieu of taxes since the initiation of the low income public housing program in Providence.

MANAGEMENT

During the past year this Authority, like most others in the nation, continued to experience a turnover in occupancy which has always averaged about 23%. Perhaps it is an indication of the unsettled conditions experienced by many of the families in the low income groups during their lifetime. Tenants come from sub-standard housing and are assigned units fully adequate for their size family. In many instances because of increase in economic means, either from improved employment conditions or youngsters going to work, some families leave the developments of the Authority for housing in private enterprise. In others, deaths, separations, a desire to be closer to a particular place of employment, or a desire to live near relatives who may need them, bring about removals from the public housing scene. The average occupancy of about four years in public housing seems very brief but it is the same pattern experienced generally by other housing authorities. Of course, this turnover naturally adds to management costs and it also makes it necessary for the Authority to expend extra funds for cleaning and decorating apartments on such turnovers.

With more of the elderly eligible and with a constant shortage of four and five bedroom units needed to house the larger families, the Authority has initiated a limited program of converting some units at Roger Williams Homes. In 186 instances there are three-bedroom units which adjoin two-bedroom units. Wherever possible, the second bedroom from the two-bedroom unit has been joined to the three-bedroom apartment, thus creating one four-bedroom unit suitable for a large family and a one-bedroom unit which is ideal for an elderly couple or a single elderly person. Although this cuts down on the number of two-bedroom units available at this development, there are sufficient units of this size available in others to satisfy the present demand. If, in the future

low-income developments are planned it will be necessary to design for a larger proportion of the four and five-bedroom units in order to take care of the needs of the large families now prevalent in the community.

Income limits for admission and continued occupancy must be approved by the Public Housing Administration. At the present time the following maximum admission income limits are in effect:

<u>1-person</u>	<u>2-persons</u>	<u>3 or 4 persons</u>	<u>5-persons or more</u>
\$2160.00	\$2700.00	\$3000.00	\$3200.00

In the case of families displaced by Redevelopment projects or public improvements, the following admission income limits are in effect:

<u>1-person</u>	<u>2-persons</u>	<u>3 or 4 persons</u>	<u>5-persons or more</u>
\$2560.00	\$3200.00	\$3600.00	\$3800.00

After families are admitted to public housing their incomes may exceed the admission limits before they are declared ineligible for continued occupancy. The continued limits are as follows:

<u>1-person</u>	<u>2-persons</u>	<u>3 or 4 persons</u>	<u>5-persons or more</u>
\$2700.00	\$3375.00	\$3750.00	\$4000.00

In all cases in connection with eligibility for admission or continued occupancy there is exempted \$100.00 from the family income for each minor. This exemption is also considered in determining rent. If the secondary worker is a minor, all of his income may be exempt for eligibility purposes but it must be used in setting the rent. This does not mean that rents might rise to astronomical heights with the employment of young people because the following ceiling rents are in effect for eligible families:

<u>1-bedroom</u>	<u>2-bedrooms</u>	<u>3-bedrooms</u>	<u>4-bedrooms</u>	<u>5-bedrooms or more</u>
\$57.00	\$63.00	\$67.00	\$72.00	\$75.00

If, however, the family is ineligible, the rents may rise to whatever point on the rent schedule that is equivalent to 20% of their income less the \$100.00 exemption for each minor.

Under normal conditions, all families except the elderly or veterans must either be living in sub-standard housing before admission or be losing their housing through no fault of their own. A further qualification, is citizenship, unless the family can prove that their lack of citizenship is not of their own fault.

MAINTENANCE

The most costly individual maintenance account of the Authority is the labor and fuel in connection with supplying heat and hot water for 2,787 families. To take care of this item the Authority has five central heating plants using #6 or Bunker-C oil and nine group heating plants, averaging about 28 families, at the Valley View Development. During the past several years the Authority, like all users of this heavy oil, is experiencing considerable difficulty with the erosion of boiler heating surfaces due to the high sulfur content of the fuel oil. This trouble is not encountered by factories which use their boiler systems on a year-round basis, but it is very serious in operations such as the Authority's where the use of boilers is mostly during the heating season. During periods of shutdowns, chemical changes take place on the boiler surfaces that result in high repair costs and eventually cause replacements of the boilers earlier than anticipated. The Authority's maintenance supervisors have conferred with all known experts on this matter, but no solution of this problem has yet been found.

In order to take advantage of any economies another type fuel has been installed in one of the group heating systems at the Valley View Development; a gas burner to replace the previous oil burning equipment. During the next fiscal year, accurate records will be kept on the cost of GAS vs OIL and if the new installation is more economical, other conversions will be made at that development.

In connection with the saving of fuel, daily, weekly and monthly records of consumption are kept and these totals are checked against weather data and previous performances. Controls in the heating systems, including controls in all the apartment buildings are overhauled annually so that families will receive adequate heat but not so much that would cause a waste of fuel. This is a necessary precaution because the records in all the developments indicate that the cost of utilities are greater than the total cost of repairs, maintenance and replacement.

Other than the making of plans for the complete renovation of the site improvements at Chad Brown Houses, no major work was necessary on the structures of the Authority. However, the time is approaching when roof repairs and other replacements may have to be made at Chad Brown Houses and Roger Williams Homes, now approximately fifteen years old. It is hoped that there will be enough reserves on hand to do this work when needed. A planned replacement of ranges and refrigerators is also being set up for these two developments because of the age of this equipment. Through constant maintenance these appliances have given good performance but replacement parts are becoming increasingly difficult to obtain, necessitating their complete replacement.

VALLEY VIEW OCCUPANCY

On June 30, 1957 the Valley View development completed a period of seven years of operation during which the development has been 100% occupied and no collection loss experienced whatsoever. This amazing management record is primarily responsible for the sound financial condition of the development. It has enabled the Authority to build up reserves that will guarantee adequate funds to make major repairs and replacements where they are needed.

RECOMMENDATION

The Authority is grateful for the cooperation of the City of Providence in promoting its limited program for housing the elderly. Present application requests indicate that the demand for housing for this segment of our population will constantly increase. It is hoped that with the cooperation of the City additional sites may be made available to provide housing for the elderly who have the lowest income and in many cases reside in the poorest neighborhood.

STATEMENT OF INCOME AND EXPENSE

FOR FISCAL YEAR ENDED, JUNE 30, 1957

CHAD BROWN - ADMIRAL TERRACE - ROGER WILLIAMS - CODDING COURT

	<u>Amount</u>	<u>PUM*</u>
<u>Operating Income:</u>		
Dwelling Rentals	567,153.78	32.53
Excess Utilities	<u>13,018.46</u>	.74
Total Rental Income	580,172.24	33.27
Sales and Service to Tenants	1,650.93	.10
Miscellaneous Project Income	5,690.50	.33
Interest on General Fund Investments	<u>4,073.00</u>	.23
<u>Total Operating Income</u>	591,586.67	33.93
<u>Operating Expenses:</u>		
Management Expense	76,443.49	4.38
Operating Services	38,875.70	2.23
Utilities	164,355.50	9.43
Repairs, Maintenance and Replacements	174,724.73	10.02
Insurance	8,536.56	.49
Payments in Lieu of Taxes	41,581.67	2.39
Contributions to Retirement Funds	11,631.37	.67
Supplemental Community Services	41.09	-
Collection Losses	2,980.78	.17
Cost of Sales and Services to Tenants	1,650.93	.09
Other Expense	8.67	-
<u>Total Operating Expenses</u>	<u>520,830.49</u>	<u>29.87</u>
<u>Net Operating Income</u>	<u>70,756.18</u>	<u>4.06</u>
<u>Other Charges and Credits:</u>		
Property Betterments & Additions	27,129.85	1.55
Prior Year Adjustments	(1,971.39)	(.11)
Total	<u>25,158.46</u>	<u>1.44</u>
<u>Residual Receipts Before Provision for Reserves</u>	45,597.72	2.62
Provision for Reserves	<u>45,597.72</u>	<u>2.62</u>
<u>Net Residual Receipts</u>	<u>-0-</u>	<u>-0-</u>

*Per Unit Monthly

CHAD BROWN - ADMIRAL TERRACE - ROGER WILLIAMS - CODDING COURT

B A L A N C E S H E E T

JUNE 30, 1957

A S S E T S

Cash in Bank and on Hand		45,377.43
<u>Accounts Receivable</u>		
Tenants	17,994.06	
Sundry	1,357.40	19,351.46
Advances to Revolving Fund		42,000.00
Investments - General Fund		196,148.00
<u>Deferred Charges</u>		
Prepaid Insurance	1,988.36	
Insurance Deposits	11,172.61	
Inventories	5,151.07	18,312.04
Land, Structures and Equipment		8,714,600.05
Fiscal Agent Funds		471.35
		<hr/>
<u>Total Assets</u>		<u>9,036,260.33</u>

LIABILITIES

<u>Accounts Payable</u>		
Vendors and Contractors	6,750.36	
Contract Retentions	1,876.00	
Tenant Security Deposits	13,211.29	
Sundry	3.77	21,840.42
<u>Accrued Liabilities</u>		
Interest Payable - Bonds	12,058.92	
Salaries and Wages	5,098.90	
Payment in Lieu of Taxes	41,581.67	58,739.49
<u>Deferred Credits</u>		
Unamortized Bond Premium	76,791.96	
Sundry	6,050.46	82,842.42
<u>Fixed Liabilities</u>		
Bonds Issued	7,480,000.00	
Less - Bonds Retired	661,000.00	6,819,000.00
Cumulative PHA Contributions		926,939.18
Reserved Surplus - Operating Reserve		205,445.04
Unreserved Surplus		921,453.78
		<hr/>
<u>Total Liabilities</u>		<u>9,036,260.33</u>

STATEMENT OF INCOME AND EXPENSE

FOR FISCAL YEAR ENDED JUNE 30, 1957

HARTFORD PARK - MANTON HEIGHTS - & HARTFORD PARK EXTENSION

	<u>Amount</u>	<u>PUM*</u>
<u>Operating Income:</u>		
Dwelling Rentals	473,761.75	36.62
Excess Utilities	-0-	-0-
 Total Rental Income	 473,761.75	 36.62
 Sales and Services to Tenants	 752.89	 .06
Miscellaneous Project Income	2,306.21	.18
Interest on General Fund Investments	540.00	.04
<u>Total Operating Income</u>	<u>477,360.85</u>	<u>36.90</u>
<u>Operating Expenses:</u>		
Management Expense	57,895.79	4.48
Operating Services	29,907.11	2.31
Utilities	148,003.16	11.44
Repairs, Maintenance and Replacements	107,888.59	8.34
Insurance	10,342.42	.80
Payments in Lieu of Taxes	32,575.86	2.52
Contributions to Retirement Funds	8,061.09	.62
Supplemental Community Services	202.13	.01
Collection Losses	855.23	.07
Cost of Sales and Services to Tenants	752.89	.06
Other Expense	5.50	-
<u>Total Operating Expenses</u>	<u>396,489.77</u>	<u>30.65</u>
 <u>Net Operating Income</u>	 <u>80,871.08</u>	 <u>6.25</u>
 <u>Other Charges and Credits:</u>		
Property Betterments & Additions	5,351.07	.41
Prior Year Adjustments	2,665.21	.21
Total	8,016.28	.62
 <u>Residual Receipts Before Provision for Reserves</u>	 72,854.80	 5.63
 Provision for Reserves	 20,157.75	 1.56
<u>Net Residual Receipts</u>	<u>52,697.05</u>	<u>4.07</u>

*Per Unit Monthly.

HARTFORD PARK, MANTON HEIGHTS & HARTFORD PARK EXTENSION

B A L A N C E S H E E T

JUNE 30, 1957

A S S E T S

Cash in Bank and On Hand		54,428.99
Accounts Receivable		1,818.68
Advances to Revolving Fund		30,000.00
Investments - General Fund		43,740.00
Deferred Charges		
Prepaid Insurance	15,584.98	
Insurance Deposits	11,144.24	
Inventories	3,792.15	30,521.37
Land, Structures & Equipment		13,766,987.24
Fiscal Agent Funds		19,613.66
		<hr/>
<u>Total Assets</u>		<u>13,947,109.94</u>

LIABILITIES

Accounts Payable		
Vendors and Contractors	6,921.02	
Tenant Security Deposits	10,470.00	
Sundry	2,200.00	19,591.02
Accrued Liabilities		
Interest Payable	31,513.25	
Salary and Wages	3,724.67	
Payment in Lieu of Taxes	32,575.86	67,813.78
Deferred Credits		
Unamortized Bond Premiums	89,339.13	
Tenants Prepaid Rents	1,805.60	91,144.73
Fixed Liabilities		
Permanent Notes Payable		18,103.76
Bonds Issued	13,580,000.00	
Less - Bonds Retired	917,000.00	12,663,000.00
Cumulative PHA Contributions		1,874,533.81
Reserved Surplus-Operating Reserve		49,984.00
Deficit		(837,061.16)
		<hr/>
<u>Total Liabilities</u>		<u>13,947,109.94</u>

V A L L E Y V I E W

STATEMENT OF INCOME AND EXPENSE

FOR FISCAL YEAR ENDED JUNE 30, 1957

	<u>Amount</u>	<u>P U M*</u>
<u>Operating Income:</u>		
Dwelling Rentals	142,464.72	46.37
Heat and Hot Water	<u>31,606.52</u>	<u>10.29</u>
Total Rental Income	174,071.24	56.66
Sales and Service to Tenants	140.70	.05
Miscellaneous Project Income	<u>3,425.94</u>	<u>1.11</u>
<u>Total Operating Income:</u>	177,637.88	57.82
<u>Operating Expenses</u>		
Management Expense	15,975.41	5.20
Operating Expense	4,199.69	1.37
Utilities	36,119.73	11.76
Repairs, Maintenance and Replacements	32,437.53	10.56
Insurance	5,136.29	1.67
Contribution to Retirement Funds	2,000.29	.65
Supplemental Community Services	57.08	.02
Cost of Sales and Services to Tenants	<u>140.70</u>	<u>.04</u>
<u>Total Operating Expenses:</u>	96,066.72	31.27
<u>Net Operating Income:</u>	81,571.16	26.55
<u>Other Charges:</u>	-0-	-0-
Residual Receipts Before Debt Service	81,571.16	26.55
Debt Service - City of Providence	<u>80,000.00</u>	<u>26.04</u>
<u>Net Residual Receipts</u>	<u>1,571.16</u>	<u>.51</u>

*Per Unit Monthly.

V A L L E Y V I E W
B A L A N C E S H E E T

JUNE 30, 1957

A S S E T S

Cash		
General Fund	4,403.44	
Petty Cash Fund	50.00	
Change Fund	50.00	4,503.44
<u>Accounts Receivable</u>		
Tenant's Accounts		18.41
Revolving Fund Advance		8,000.00
Investments - General Fund		76,545.00
<u>Deferred Charges</u>		
Insurance	8,875.63	
Inventory - Material & Supplies	2,975.02	11,850.65
Development Costs		<u>2,814,922.36</u>
Total Assets		<u>2,915,839.86</u>

L I A B I L I T I E S

<u>Accounts Payable</u>		
Vendors & Contractors	819.66	
Bonds - City of Providence	2,252,500.00	
Tenant's Security Account	5,060.56	2,258,380.22
<u>Accrued Liabilities</u>		
Salaries & Wages		817.86
<u>Deferred Credits</u>		
Tenants Prepaid Rent		1,602.00
Development Liquidation		560,000.00
Operating Reserves		<u>95,039.78</u>
Total Liabilities		<u>2,915,839.86</u>