

Big Million Dollar Trade Show Coming! Saturday, October 23rd at the Los Angeles Convention Center

Don't forget to mark your calendars for the "**Million Dollar Trade Show**" next month. The big show will held on Saturday, October 23rd at the Los Angeles Convention Center. Vendors galore with new products and services, **FREE educational seminars, bonus package give-aways** and chances to **win prizes**. All this and more for FREE! (Please bring an unwrapped new toy for AOA's "*Christmas in October*" toy drive for the Union Rescue Mission.)

Our main goal is that you walk away with just one idea to help you make and or keep more money than ever before! You'll be discovering my "**7 Step Success System on How to Make and Keep \$1,000,000**" along with other great seminars like: "**How to Retire Early and Rich**" by Larry Oxenham, Vice President of the National Foundation for Tax Planning & Asset Protection; my seminar on "**How to Live to be a Healthy 100**"; "**13 Money-Saving Rental Clauses to Include in Your Lease**" by Jeffrey Taylor, (Mr. Landlord - these can save you thousands of dollars); "**New Ways to Sell Your Building, Pay NO TAX and Retire with a Lifetime Income**" by Jeff Reed of T.E.A.M. Portfolio, Bob Horning of MCL Financial, Inc. & Phil Atwan of Exchange Resources, Inc.; "**How to Properly Screen Your Applicants**" by Marvin Fleschman, C.A.P.S; "**Why Foreclosures Will Be Going up 1000% in Southern California**" by Bruce Norris of The Norris Group; "**New State Laws that Landlords Must Follow**" by Attorney Dennis P. Block and "**21st Century Wealth Building Ideas – 2004 to 2054**" by Economist John Kamin.

Be sure to check out the times of each of our **FREE EDUCATIONAL SEMINARS** listed in next month's issue. It is going to be AOA "Show Time" and you'll need and want to be there. See you at the big show!

Should "Big Brother" Supply Housing for Renters?

The following was received from one of our readers in response to our Section 8 survey.

Comments: Section 8 has taken on a much expanded role with new twists. Let's start with an example using just one city in California. What is happening in this California city is being repeated throughout the state of California. Let's choose, for example, the City of Upland's Section 8 housing and the City of Upland's Redevelopment efforts.

The City of Upland attempted to create a problem where there was not a problem. The City of Upland like many other cities in California attempted, for the sake of redevelopment, to get certain areas of the city labeled "blighted." If you will check the computer web site postings under the search for "City of Upland", you will find the case of Graber vs. City of Upland. The judge hearing this matter could not find any area of Upland "blighted".

In the meanwhile, the City of Upland began purchasing four-plex after four-plex in the City of Upland. The City of Upland would eventually like to purchase all of the apartments in the City of Upland. All of this is done hand in hand with the City of Upland's Redevelopment Department and the City of Upland Housing. (Section 8).

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Upon purchasing the apartments under the guise of providing affordable housing for the poor, the City of Upland rehabilitates the apartments by putting a new coat of paint on the buildings, replacing appliances and items that need to be replaced, cutting off all outside water spigots, then ups the rents dramatically. The city fire department will not allow landlords to cut off all outside spigots for safety reasons, yet the City of Upland's housing authority exempts itself. Code enforcement, while vigilant over private homeowners and landlords, appears to exempt the City of Upland Housing Authority from code enforcement inspections. Originally, the rents ranged from \$500.00 per month to \$600.00 per month under the old original landlords. Once the city rehabilitated the apartments to provide housing for the poor, (Section 8), the rents were increased

dramatically by the City of Upland to \$800.00 plus per month. Again, all of this effort in the name of helping the poor to obtain affordable housing at the federal government's expense that funds Section 8.

Once the properties are purchased by the City of Upland, the apartments fall off the property tax rolls and are given preferential tax status. Sales figures of what the City of Upland paid for the apartments are not disclosed on records available to real estate agents, attempting to mask secrecy of the transaction. One has to go to the City of Upland to attempt to get the sales price information, which should be publicly accessible. There are also breaks for water, gas and electric bills as well as many other breaks. The average landlord is not entitled to these lucrative breaks and this appears to be tantamount to unfair competition and government run amok. ***This appears to violate some of the fundamental laws upon which this country was founded.***

What is more sinister is that these breaks lead to what economists would call a misallocation of scarce resources. The City of Upland has ridden the price of real estate up in the recent years realizing millions in future capital gains. In the meantime, the City of Upland continues to raise water rates, sewer rates, trash rates and property assessments as much as possible on the individual homeowners to help subsidize their grand scheme. Why not? They are making millions in this process just as many other cities are doing the same thing.

If one hates democracy and believes in a socialized state, then the City of Upland's model is nirvana as well as the other cities in California following in their footsteps. The next time you receive these bills, think about the great social experiment and how much money it is costing you, in local, state and federal taxes, as well as your water bill, trash bill, sewer bill, property assessment bill and whatever other charges they can dream up to stick it to you with.

With cities making all this extra money from these endeavors, possibly our Governor Schwarzenegger is on the right path of taking more money from these cities that are generating these cash cows at the taxpayer's expense.

Response from the City of Upland

First, let us state how proud we are of our efforts to develop, improve and preserve housing units that are affordable to persons of low-to-moderate income. The City of Upland, its Redevelopment Agency and the Upland Housing Authority (a stand alone organization) all operate their affordable housing programs and projects under the aegis of applicable laws, regulations, rules, guidelines and planning strategies (the "Law"). These include, but are not limited to, the Housing Element of the City's General Plan (state law required), the Five-Year Redevelopment Implementation Plan, (state law required), the Consolidated Action Plan, (federal law required), the Housing Authority's Five Year Plan, (federal law required) and the Section 8 Administration Plan (federal law required).

All of our programs and projects have been considered and were authorized for implementation by the appropriate governing body (i.e. City Council, Agency Board and/or Authority Board) during regularly scheduled meetings that are open to the public. The public is always welcome to make comments directly to each governing board and to review our public records and accomplishments related to any of our responsibilities. In addition, all of our activities undergo periodic review and audit by third party outside organizations to ensure that they are in full compliance with the Law.

Not only are all of our housing efforts in full compliance with the Law; we are fervently striving to make our programs and projects as user friendly as humanly possible. We are dedicated to serving the needy and are actively pursuing new initiatives to reach that end. We encourage any of your readers who are interested in Upland's housing activities to contact us.

In closing, at your convenience, we will be pleased to provide your organization with a detailed overview of our programs and projects. In addition, we will be pleased to introduce you "by name" to several of our clients. We feel confident that you will find such an experience much more enlightening than printing a list of grievances spewed forth by a disgruntled and enormously misinformed anonymous person. If obtaining such information and meeting such persons are of interest to you, please feel free to contact us. And again, thank you for inviting us to provide you with this letter. Sincerely, City of Upland/Upland Community and Upland Housing Authority.

Editor's Note: The big question that AOA asks is what is government (City) doing in the housing business in the first place? The next thing they will want will be to open a grocery store to feed people and then a clothing store to make sure everyone has clothes. America was not founded with the idea that we would have a "Big Brother" to take care of us and supply all of our needs. Instead, let's continue to support our American Economic system of free enterprise!