

**Grantee: Corona, CA**

**Grant: B-08-MN-06-0506**

**July 1, 2009 thru September 30, 2009 Performance Report**

**Grant Number:**

B-08-MN-06-0506

**Obligation Date:****Grantee Name:**

Corona, CA

**Award Date:****Grant Amount:**

\$3,602,842.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**Submitted By:**

No Submitter Found

**Disasters:****Declaration Number**

NSP

**Plan Description:****Recovery Needs:****Overall****This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$3,602,842.00

**Total CDBG Program Funds Budgeted**

N/A

\$3,602,842.00

**Program Funds Drawdown**

\$0.00

\$0.00

**Obligated CDBG DR Funds**

\$0.00

\$0.00

**Expended CDBG DR Funds**

\$291,415.24

\$291,415.24

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Program Income Drawdown**

\$0.00

\$0.00

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$540,426.30	\$0.00
Limit on Admin/Planning	\$360,284.20	\$16,774.69
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

### Overall Progress Narrative:

#### 2nd Quarter Progress

As of September 30, 2009, the City of Corona has acquired a total of three (3) properties under the NSP program and seven (7) properties are currently in escrow. Mary Erickson Community Housing (MECH), the community housing development organization that the City has contracted with to implement the Acquisition, Rehab, and Resale project has had a great amount of success. They have placed numerous offers on properties and have been able to have 10 of these offers accepted.

### Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Purchase & Rehabilitation (B)	(\$560,284.00)	\$0.00	\$3,042,558.00	\$0.00
2, Redevelopment (E)	\$200,000.00	\$0.00	\$200,000.00	\$0.00
3, NSP Administration	\$360,284.00	\$0.00	\$360,284.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00

## Activities

**Grantee Activity Number:** 1-001

**Activity Title:** Acq/Rehab/Rental (NPHS)

**Activity Category:**

Acquisition - buyout of residential properties

**Activity Status:**

Planned

**Project Number:**

1

**Project Title:**

Purchase & Rehabilitation (B)

**Projected Start Date:**

03/01/2009

**Projected End Date:**

07/20/2013

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

Redevelopment Agency to the City of Corona

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$900,711.00
Total CDBG Program Funds Budgeted	N/A	\$900,711.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/rehabilitation/rental, specifically for households earning less than 50 percent AMI. The City will issue a Notice of Funding Availability for the acquisition and rehabilitation of multi-family and/or single family units for rental to households at or below 50 percent AMI and/or permanent supportive housing, and/or group homes for special needs populations to expand affordable housing opportunities in this area. For long-term affordability, the City will record a Deed of Trust with re-sale restrictions as well as a Regulatory Agreement which will include re-sale/re-capture provisions that are comparable to those found in the HOME Investment Partnerships grant program. Further, the City will perform annual monitoring (desk and on-site) to ensure the terms of the long-term affordability covenants are being met. Activity delivery costs are estimated to be 5% of the amount to be paid directly to the property owners. For this activity is estimated to be \$45,036.

**Location Description:**

Area area bounded by the 91 Freeway in the north, Ontario Avenue in the south, Paseo Grande in the west, and Magnolia Avenue in the east as the area of greatest need and where NSP funds and activities will be given priority. The specific census tract block groups are:

Tract Blkgrp Tract Blkgrp Tract Blkgrp Tract Blkgrp 041409 2 041500 1 041704 1 041412 1 041809 1  
041500 2 041704 2 041813 1 040810 1 041812 1 041600 1 041813 3 041805 1 041703 1 041600 2  
041905 1 041805 3 041703 2 041600 3 041702 1 041906 3 041703 3 041600 4 041702 3 0419.06 4  
040808 2 041906 1 041906 2

**Activity Progress Narrative:**

On August 20, 2009, the Redevelopment Agency of the City of Corona released a Request for Proposal (RFP) from a qualified non-profit or for-profit organization for an Acquisition/Rehabilitation/Rental Project for Corona residents whose incomes do not exceed 50% of the area median income. The RFP closes on October 8, 2009. The selection of the organization for this project will be made during the 3rd quarter of this grant.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/2
# of housing units	0	0	0	0/0	0/0	0/2

# of Households benefitting	0	0	0	0/6	0/0	0/6
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/2
Total acquisition compensation to	0	0	0	0/0	0/0	0/855675

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** 1-002

**Activity Title:** Acq/Rehab/Resale (MECH)

**Activity Category:**

Acquisition - buyout of residential properties

**Project Number:**

1

**Projected Start Date:**

03/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Purchase & Rehabilitation (B)

**Projected End Date:**

07/20/2013

**Responsible Organization:**

Redevelopment Agency to the City of Corona

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$2,141,847.00
Total CDBG Program Funds Budgeted	N/A	\$2,141,847.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$274,640.55	\$274,640.55
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/rehabilitation/resale to first time homebuyers. The tenure of beneficiaries is home ownership; the duration of the assistance will be dependent on the household's debt capacity. Should there be an affordability gap, some portion of the City's original investment of acquisition and rehabilitation funds will remain in the property as a "silent second" (no monthly payments due, and a proportionate equity-share mechanism in lieu of interest) to be repaid upon change in title or status as owner-occupied housing. The property will have an affordability covenant recorded against it, for a period of 15 years. As with other assisted single family units through Corona's rehabilitation programs and down-payment assistance programs, continued affordability is ensured through an annual monitoring process. Initial acquisition by the activity sponsor (City's certified CHDO and/or other non-profit/for-profit developers) will average at least 15 percent below a current appraised value. No interest will be charged, instead a proportionate equity-share mechanism will be used. The sales price will be no greater than the total investment by the City (including acquisition, rehabilitation and associated program delivery costs). For example, if a completed unit is sold for \$200,000, and \$25,000 remains as a "silent second", this amount represents 12.5 percent of the original purchase price. When the unit is sold in future years, the \$25,000 principal and 12.5 percent of any equity (increase in value less capital improvements and costs of sale) would be recaptured. For example if the unit is sold in the future for \$400,000, and capital improvements to the unit and costs of sale total \$50,000, then the amount due to the City would be \$43,750 (original principal of \$25,000, plus 12.5 percent of the equity which is calculated at \$400,000 less household's acquisition price of \$200,000, less \$50,000 in capital improvements and costs of sale: \$400,000 - \$200,000 = \$200,000; \$200,000 - \$50,000 = \$150,000; \$150,000 x 12.5% = \$18,750; \$18,750 + \$25,000 = \$43,750). Activity delivery costs for this activity are estimated to 5% of the amount paid to the property owners. For this activity it is \$107,092.

**Location Description:**

Staff has identified the area bounded by the 91 Freeway in the north, Ontario Avenue in the south, Paseo Grande in the west, and Magnolia Avenue in the east as the area of greatest need and where NSP funds and activities will be given priority. The specific census tract block groups are as follows:

Tract Blkgrp Tract Blkgrp Tract Blkgrp Tract Blkgrp 041409 2 041500 1 041704 1 041412 1 041809 1  
041500 2 041704 2 041813 1 040810 1 041812 1 041600 1 041813 3 041805 1 041703 1 041600 2  
041905 1 041805 3 041703 2 041600 3 041702 1 041906 3 041703 3 041600 4 041702 3 0419.06 4  
040808 2 041906 1 041906 2

**Activity Progress Narrative:**

During the 2nd quarter Mary Erickson Community Housing (MECH) placed 15 offers on various eligible properties in the City's NSP Target Area. 7 of these offers were accepted, the escrow on 3 of these properties has closed and the other properties

remain in escrow. The addresses on the properties are as follows:  
 Escrow Closed as of September 30, 2009

- 1270 Sunkist Circle
- 1358 Via Santiago Unit A

In Escrow as of September 30, 2009

- 2337 Mesquite Lane
- 2252 Adrienne Drive
- 109 W. Citron Street
- 1066 Sycamore Lane
- 1109 Stone Pine Lane Unit A
- 319 W. Kendall Street
- 985 W. Rancho Road

Also, rehab has been completed on the 1672 Lilac Street, which is the property that was acquired during the 1st quarter.  
 Rehab Completed as of September 30, 2009

- 1672 Lilac Street

## Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/10
# of housing units	0	0	2	0/0	0/0	3/10
# of Households benefitting	0	0	2	0/2	1/8	3/10
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/10
Total acquisition compensation to	0	0	0	0/0	0/0	146597/203475

## Activity Locations

Address	City	State	Zip
1358 Via Santiago	Corona	NA	92882
1270 Sunkist Circle	Corona	NA	92882

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number:** 2-001

**Activity Title:** Acq/Rehab/Demo/Redev

**Activity Category:**

Acquisition - buyout of residential properties

**Activity Status:**

Planned

**Project Number:**

2

**Project Title:**

Redevelopment (E)

**Projected Start Date:**

03/01/2009

**Projected End Date:**

07/20/2013

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

Redevelopment Agency to the City of Corona

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$200,000.00
Total CDBG Program Funds Budgeted	N/A	\$200,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

**Activity Description:**

This activity is for acquisition/demolition/redevelopment of foreclosed, abandoned single family properties that would require more funds to rehabilitate than to demolish and rebuild. After consultation with the City's Building Official, a determination would be made to demolish the structure instead of attempting to rehabilitate it. The property would then be made available to non-profit housing providers to plan the redevelopment of the property as soon as feasible. Redevelopment may include sale of the property as per the NSP requirements, or partnership with the non-profit agency. Other possible uses under this activity type might include vacant, foreclosed properties that allow for the expansion or improvement of a public facility. Activity delivery costs are anticipated to 5% or less of the proposed amount to be paid directly to property owners. For this activity it would be \$10,000.

**Location Description:**

The target area bounded by the 91 Freeway in the north, Ontario Avenue in the south, Paseo Grande in the west, and Magnolia Avenue in the east as the area of greatest need and where NSP funds and activities will be given priority. It is in the following census tract block groups:

Tract Blkgrp Tract Blkgrp Tract Blkgrp Tract Blkgrp 041409 2 041500 1 041704 1 041412 1 041809 1  
041500 2 041704 2 041813 1 040810 1 041812 1 041600 1 041813 3 041805 1 041703 1 041600 2  
041905 1 041805 3 041703 2 041600 3 041702 1 041906 3 041703 3 041600 4 041702 3 0419.06 4  
040808 2 041906 1 041906 2

**Activity Progress Narrative:**

As of September 30, 2009, there is no activity to report on this project.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/2
# of housing units	0	0	0	0/0	0/0	0/2
# of Households benefitting	0	0	0	0/0	0/2	0/2
# of Parcels acquired by	0	0	0	0/0	0/0	0/0

# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/2
Total acquisition compensation to	0	0	0	0/0	0/0	0/190000

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** 3-001

**Activity Title:** RDA Admin. Expense

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

3

**Project Title:**

NSP Administration

**Projected Start Date:**

11/01/2008

**Projected End Date:**

07/20/2013

**National Objective:**

N/A

**Responsible Organization:**

Redevelopment Agency to the City of Corona

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$140,823.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$140,823.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$232.54	\$232.54
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

This activity is grant administration which includes, but is not limited to, the following activities: • Compliance monitoring (NSP requirements, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, Affirmative Marketing, etc.). • Environmental review for compliance with the National Environmental Polices Act (NEPA) • Contracting • Procurement (including letting of appropriate Requests for Proposals, Notices of Funding Opportunities, etc.) • Financial data collection and reporting • Quarterly reporting • Data entry and reporting through DRGR • Providing technical assistance to activity sponsors • Ensuring public participation Further, the City will issue a Request for Proposals for a contractor to be engaged to assist in the administration of this grant for a 3 to 5-year period, as funds are available.

**Location Description:**

None. This activity supports the other funded activities.

**Activity Progress Narrative:**

During the 2nd quarter the Redevelopment of the City of Corona incurred minimal expenses under the administrative activity. The activities that were completed during this reporting period were:

- Preparation of the Request for Proposals for Acquisition/Rehabilitation/Rental project for the Corona residents that do not exceed 50% of the area median income
- Release and Advertisement of the RFP
- Attendance of NSP Formula Grant Implementation Training in Los Angeles
- NSP Grant management activities

**Performance Measures**

No Performance Measures found.

**Activity Locations**

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

#### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

<b>Grantee Activity Number:</b>	<b>3-002</b>
<b>Activity Title:</b>	<b>MECH Admin. Expense</b>

#### Activity Category:

Administration

#### Activity Status:

Under Way

#### Project Number:

3

#### Project Title:

NSP Administration

#### Projected Start Date:

11/01/2008

#### Projected End Date:

07/20/2013

#### National Objective:

N/A

#### Responsible Organization:

Redevelopment Agency to the City of Corona

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$50,000.00
Total CDBG Program Funds Budgeted	N/A	\$50,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$11,539.65	\$11,539.65
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

#### Activity Description:

This activity is grant administration which includes, but is not limited to, the following activities: • Compliance monitoring (NSP requirements, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, Affirmative Marketing, etc.). • Environmental review for compliance with the National Environmental Polices Act (NEPA) • Contracting • Procurement (including letting of appropriate Requests for Proposals, Notices of Funding Opportunities, etc.) • Financial data collection and reporting • Quarterly reporting • Data entry and reporting through DRGR • Providing technical assistance to activity sponsors • Ensuring public participation Further, the City will issue a Request for Proposals for a contractor to be engaged to assist in the administration of this grant for a 3 to 5-year period, as funds are available.

#### Location Description:

None. This activity supports the other funded activites.

#### Activity Progress Narrative:

During the 2nd quarter Mary Erickson Community Housing completed the following administrative activities:

- Received NSP Program Training
- NCST Training and familiarization
- Development of a detailed checklist for NSP acquisitions to ensure compliance with guidelines and regulations
- Coordination with NCST on the initiation of property offers
- Implementation of a Marketing strategy for acquired properties

The expenses that were incurred over this period were from the 1st and 2nd quarter. The expenses incurred are primarily from the staffing and set up of the Corona office.

### Performance Measures

No Performance Measures found.

### Activity Locations

No Activity Locations found.

### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

#### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** 3-003

**Activity Title:** PMC Admin. Expense

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

3

**Project Title:**

NSP Administration

**Projected Start Date:**

11/01/2008

**Projected End Date:**

07/20/2013

**National Objective:**

N/A

**Responsible Organization:**

Redevelopment Agency to the City of Corona

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$169,461.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$169,461.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$0.00	\$0.00
<b>Expended CDBG DR Funds</b>	\$5,002.50	\$5,002.50
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

This activity is grant administration which includes, but is not limited to, the following activities: • Compliance monitoring (NSP requirements, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, Affirmative Marketing, etc.). • Environmental review for compliance with the National Environmental Polices Act (NEPA) • Contracting • Procurement (including letting of appropriate Requests for Proposals, Notices of Funding Opportunities, etc.) • Financial data collection and reporting • Quarterly reporting • Data entry and reporting through DRGR • Providing technical assistance to activity sponsors • Ensuring public participation Further, the City will issue a Request for Proposals for a contractor to be engaged to assist in the administration of this grant for a 3 to 5-year period, as funds are available.

**Location Description:**

None. This activity supports the other funded activities.

**Activity Progress Narrative:**

During the 2nd quarter the City's NSP Administrative Consultant, PMC completed the following activities:  
General Administration

- General coordination and provision of technical assistance to City staff
- Review of the buyer selection and resale process for acquired properties
- Review of MECH subrecipient agreement amendment
- Attendance of HUD NSP training
- Research and preparation of documentation and references for NSP Target Area amendment
- Provision of DRGR assistance
- Provision of technical assistance to MECH

Environmental Review

- Completion of historical and cultural review of acquired properites
- NEPA compliance assistance
- Section 109 compliance assistance

Homebuyer Program

- General coordination
- Transaction compliance with NSP
- Review of scope of work and bid results for property rehabilitation

## Performance Measures

No Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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