

NSP I

Grantee: Corona, CA

Grant: B-08-MN-06-0506

October 1, 2012 thru December 31, 2012 Performance Report



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

Obligation Date:
03/16/2009

Award Date:
03/05/2009

Grantee Name:
Corona, CA

Contract End Date:
03/05/2013

Review by HUD:
Original - In Progress

Grant Amount:
\$3,602,842.00

Grant Status:
Active

QPR Contact:
Cynthia Lara

Estimated PI/RL Funds:
\$1,815,344.98

Total Budget:
\$5,418,186.98

Disasters:

Declaration Number
NSP

Narratives

Areas of Greatest Need:

Distribution and and Uses of Funds:

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,418,186.98
Total Budget	\$0.00	\$5,418,186.98
Total Obligated	\$1,443,749.00	\$5,418,186.98
Total Funds Drawdown	\$1,452,102.04	\$4,853,066.67
Program Funds Drawdown	\$1,049,873.12	\$3,037,721.69
Program Income Drawdown	\$402,228.92	\$1,815,344.98
Program Income Received	\$0.00	\$1,815,344.98



Total Funds Expended	\$37,674.32	\$4,883,090.46
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		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	\$273,341.89
Limit on State Admin	\$0.00	\$273,341.89

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$900,710.50	\$1,360,672.00

Overall Progress Narrative:

The current quarter included activity under the two multi-family rental projects funded with the City's NSP grants (NSP1 and NSP3).

Mission Apartments (Affordable Family Apartments) - The Mission Apartment Project at 926 West 5th Street is a major rehabilitation project that will provide housing for extremely low-income families. The project was put out to bid for construction in the third quarter of 2012. The initial procurement tendered bids that were over-budget, therefore, all bids were rejected and bid items were revised to minimize cost. The second procurement was also not successful as the two lowest bidders could not meet bonding requirements as required by HUD, and the third lowest bidder's proposal was over budget. The project plans and specifications are undergoing analysis and value engineering the first quarter of 2013; bid documents are expected to be ready for procurement the second quarter in 2013. Relocation of the last household is nearing completion. The head of household signed a new lease December 26, 2012 and moved January 1, 2013. Staff anticipates providing final relocation payment the first quarter of 2013, upon receiving all proper documents.

Citrus Circle Apartments (Affordable Family Apartments) - The Affordable Housing Disposition Agreement between the City of Corona and Citrus Circle Apartments, L.P. was approved September 19, 2012. The purpose of this agreement was to provide \$2.3 million for the acquisition of 19 affordable housing multifamily units. Escrow for this transaction closed October 3, 2012, during the fourth quarter of 2012. In addition to maintaining the affordability of the units for 55 years, the Developer will rehabilitate units, as needed. However, because the property will be impacted by the freeway expansion, renovation activities are being strategized to evaluate the best time to conduct said renovation activities.

A total of \$4,883,090.46 in NSP1 funds has been expended to date. This is 136% of the grant amount. The City has exceeded the 100% expenditure requirement.



The City expended \$15,946.41 in NSP1 funds this quarter.

The City has expended \$896,905.51 to benefit very-low-income persons to date. This is 66% of the 25% set-aside requirement (\$1,354,547.00). The City expects to expend the remainder by December 2013.

The City has received a total of \$1,826,532.41 in program income to date. Program income in the amount of \$11,187.43 was received this quarter.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Purchase & Rehabilitation (B)	\$1,041,520.08	\$5,057,569.00	\$2,928,376.12
2, Redevelopment (E)	\$0.00	\$0.00	\$0.00
3, NSP Administration	\$8,353.04	\$360,617.98	\$109,345.57
9999, Restricted Balance	\$0.00	\$0.00	\$0.00



Activities

Grantee Activity Number: 1-001
Activity Title: Acq/Rehab/Rental (MECH)

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

03/01/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Purchase & Rehabilitation (B)

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$1,360,672.00
Total Budget	\$0.00	\$1,360,672.00
Total Obligated	\$0.00	\$1,360,672.00
Total Funds Drawdown	\$0.00	\$882,828.13
Program Funds Drawdown	\$0.00	\$281,928.66
Program Income Drawdown	\$0.00	\$600,899.47
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$896,905.51
City of Corona	\$0.00	\$896,905.51
Match Contributed	\$0.00	\$0.00

Activity Description:

This activity is for acquisition/rehabilitation/rental, specifically for households earning less than 50 percent AMI. The City has issued a Notice of Funding Availability/RFP 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. We received multiple responses to the NOFA/RFP and decided to move forward in working with Mary Erickson Community Housing (MECH) the City's CHDO, with the goal of acquiring a multi-family housing complex.

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:

Mission Apartments (Affordable Family Apartments) - This activity is the acquisition and rehabilitation of 926 West 5th Street, a 12 unit apartment building purchased for households within the very-low and extremely low income category.



>During the third quarter of 2012, proposals were received for the rehabilitation work, but rejected because they were over budget. The public notice soliciting proposals was published on September 3, 2012.

>During this quarter (fourth quarter of 2012), bids were received and a contractor was selected for the rehabilitation. The selected bidder, New Millennium Construction Services Inc., was unable to meet the bonding requirements. The second lowest responsible bidder was also unable to meet the bonding requirements. And, the third bidder's proposal was over budget. The public notice soliciting proposals was published on September 28, 2012.

>The City is in the process of retaining an architect to review the plans and specifications provided by MECH. It is anticipated that additional plans, specification and a revised scope of work will be provided. The City, in concert with MECH, will complete the plans and specification the first quarter of 2013. MECH will utilize said documents to procure. It is anticipated that procurement will occur the second quarter of 2013.

>The relocation of the last household is near completion. The household signed a lease December 26, 2012, during this reporting period, and moved in on January 1, 2013. The final relocation payment will be processed upon receipt of all required documents. It is anticipated that this will occur the first quarter of 2013.

>The funding sources include NSP1 and NSP3 set-aside funds, NSP1 Program Income, and HOME CHDO funds.

>This activity is not anticipated to generate program income.

>\$896,905.51 has been expended on this activity to date. No funds were expended this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	2/1
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	0/1
Total acquisition compensation to	0	0/850000

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/12

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total Low/Mod%
# of Households	0	0	0	0/12	0/0	0/12 0

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	



Grantee Activity Number: 1-002
Activity Title: Acq/Rehab/Resale (MECH)

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

03/01/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Purchase & Rehabilitation (B)

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$2,253,148.00
Total Budget	\$0.00	\$2,253,148.00
Total Obligated	\$0.00	\$2,253,148.00
Total Funds Drawdown	\$0.00	\$2,253,147.65
Program Funds Drawdown	\$0.00	\$1,604,927.38
Program Income Drawdown	\$0.00	\$648,220.27
Program Income Received	\$0.00	\$1,815,344.98
Total Funds Expended	\$0.00	\$2,253,147.65
City of Corona	\$0.00	\$0.00
Redevelopment Agency, City of Corona	\$0.00	\$2,253,147.65
Match Contributed	\$0.00	\$0.00

Activity Description:

This activity is for the acquisition, rehabilitation and resale of foreclosed, abandoned single family units to qualified homebuyers. The City of Corona has applied the recently revised definition of foreclosed and abandoned to our program in our search for units that we hope to acquire. This activity is operated by the City and Mary Erickson Community Housing (MECH) the City's CHDO. Homebuyer eligibility requirements: 1. Must be a U.S. citizen or legal resident. 2. Must be prequalified for a loan. 3. Must meet income limits based on family size. 4. 15 year affordability covenants that will be recorded on the property and, 5. There is an equity provision tied to the period of affordability. As with other assisted single family units through Coronas rehabilitation programs and down-payment assistance programs, continued affordability will be ensured through an annual monitoring process.

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:



This activity has been completed. Nine homes were acquired, rehabilitated and re-sold in prior quarters. Program Income that was received from the sale of homes under Activity #1-002 will be used in conjunction with NSP 3 funds to 1) assist the very low income 12 unit multifamily property, 926 West 5th Street, acquired under Activity #1-001; 2) assist in the acquisition of a low income 19 unit multifamily property, 121-141-161 Buena Vista Avenue, and 3) for administrative costs associated with these activities.

\$1,826,532.41 in program income has been received from this activity to date. Program income in the amount of \$11,187.43 was received this quarter.

\$2,253,147.65 has been expended on this activity to date. No funds were expended this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	9/10
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	9/10
Total acquisition compensation to	0	1747862/20347

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	9/10

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	6/2	3/8	9/10	100.00

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	



Grantee Activity Number: 2-001
Activity Title: Citrus Circle Apartments

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

03/01/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Purchase & Rehabilitation (B)

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$1,443,749.00
Total Budget	\$0.00	\$1,443,749.00
Total Obligated	\$1,443,749.00	\$1,443,749.00
Total Funds Drawdown	\$1,443,749.00	\$1,443,749.00
Program Funds Drawdown	\$1,041,520.08	\$1,041,520.08
Program Income Drawdown	\$402,228.92	\$402,228.92
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$1,443,749.00
City of Corona	\$0.00	\$1,443,749.00
Match Contributed	\$0.00	\$0.00

Activity Description:

The City will provide assistance for the acquisition and rehabilitation of one or more existing multi-family residential properties with the purpose of developing rent-restricted multi-family housing.

The City will seek a development partner to acquire and possibly rehabilitate one or more existing properties. The development partner will then operate the property. The City would provide financing provided that the development partner provides rent-restricted housing units.

>The development may be mixed-income rental housing provided that the proportion of the total cost of developing the project to be borne by NSP funds will be no greater than the proportion of units in the project that will be occupied by low, median and moderate income households; and at least 51% of the units in each structure are occupied by low, median and moderate income households.

Rents for NSP units will be targeted to be affordable to households earning not more than 80 percent of the area median income.

The City will provide assistance in the form of a deferred payment or a forgivable loan to the developer. Interest if any will be nominal and may be deferred. Re-payment may be based on residual receipts. The loan term will be for 30 years or greater depending on what other funds will be used to provide assistance, coterminous with the affordability restrictions.

To assure long-term rental affordability, the City will record a Regulatory Agreement with Covenants to run with the land restricting the use of the property and requiring the provision of rent-restricted units.

The City will require as a condition of assistance that to the maximum extent possible, the developer make any new hire employment opportunities available to persons who reside in the vicinity of the development and that all construction contractors and subcontractors will be required to make employment opportunities available to persons who reside in the vicinity. The City will establish numeric targets prior to the start of construction and monitor vicinity hiring. The same efforts will be made to contract or subcontract with small businesses that are owned and operated by persons residing in the vicinity of the project.

Given the amount of funding allocated to the City through NSP3 and the recent changes in the housing market, the City determined that using NSP3 funds to subsidize multi-family rental projects will have the most impact on the selected neighborhood and be the most efficient and productive use of funds.



Location Description:

The activity will take place in the center of the City. The area of impact includes Census Tracts 416, 417.02, and 417.04. This is a primarily residential area.

>

>The area is bounded by the 91 Freeway on the north, S. Main Street on the east, W. Olive Street on the south, and S. Lincoln Avenue on the west. Please see the map attached as Exhibit B.

>

>The area has experienced a significant number of foreclosures and residential vacancies. The number of housing units to be created by developing the vacant parcel will have a significant impact on the target area.

Activity Progress Narrative:

The City assisted the acquisition of this tax-defaulted multifamily property by an experienced not-for-profit developer, C&C Development. The City provided a total of \$2.3 million in NSP funds in the form of a loan. The balance of the \$3.1 million dollar project cost was privately financed. Nineteen of the 27 units will be restricted to rents affordable to 80% AMI. The affordability covenants will be in place for 55 years.

The loan documents were approved by City Council on September 19, 2012 and funds were wired September 28, 2012. Escrow closed October 3, 2012.

This activity is not anticipated to generate program income.

\$1,443,749.00 has been expended on this activity to date. No funds were expended this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	0/1
Total acquisition compensation to	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/17
# of Multifamily Units	0	0/17

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/0	0/17	0
# Renter Households	0	0	0	0/0	0/0	0/17	0

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



Grantee Activity Number: 3-001
Activity Title: RDA Admin. Expense

Activity Category:

Administration

Project Number:

3

Projected Start Date:

11/01/2008

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

NSP Administration

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$217,675.12
Total Budget	\$76,518.14	\$217,675.12
Total Obligated	\$76,518.14	\$217,675.12
Total Funds Drawdown	\$8,353.04	\$143,070.28
Program Funds Drawdown	\$8,353.04	\$34,815.28
Program Income Drawdown	\$0.00	\$108,255.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$43,615.57	\$158,191.69
City of Corona	\$43,615.57	\$158,191.69
Match Contributed	\$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 Policies 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 The NSP consultant that the City is utilizing for the above services is PMC.

Location Description:

None. This activity supports the other funded activities.

Activity Progress Narrative:

The City has a full time staff that dedicates 50%-60 % of their time administering the NSP grant program.

The dissolution of the Redevelopment Agency of the City of Corona, resulting from the passage of AB 1X 26, was effective as of February 1, 2012. Redevelopment Agency staff has administered federally funded programs on behalf of the City in the past. The City of Corona has addressed staffing shortfalls by re-assigning and supplementing staff with consultants using NSP administrative funds to maintain the NSP programs at their current level of efficiency.

\$158,191.69 has been expended on this activity to date. \$15,546.41 was expended this quarter.

*** NOTE: A adjusting entry of \$43,615.57 was entered for expenditures this quarter to result in the correct cumulative expenditure amount. ***



Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries 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	



Grantee Activity Number: 3-003
Activity Title: PMC Admin. Expense

Activity Category:

Administration

Project Number:

3

Projected Start Date:

11/01/2008

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

NSP Administration

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$92,942.86
Total Budget	(\$76,518.14)	\$92,942.86
Total Obligated	(\$76,518.14)	\$92,942.86
Total Funds Drawdown	\$0.00	\$80,271.61
Program Funds Drawdown	\$0.00	\$38,113.75
Program Income Drawdown	\$0.00	\$42,157.86
Program Income Received	\$0.00	\$0.00
Total Funds Expended	(\$5,941.25)	\$81,096.61
City of Corona	(\$2,460.00)	\$0.00
Redevelopment Agency, City of Corona	(\$3,481.25)	\$81,096.61
Match Contributed	\$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

Location Description:

None. This activity supports the other funded activities.

Activity Progress Narrative:

During the current quarter the City's NSP Administrative Consultant, PMC completed the following activities:

- >- General Administration and technical assistance
- >- DRGR assistance and troubleshooting
- >- QPR review
- >- Relocation monitoring response
- >- Grant close-out preparation
- >- Sub-recipient management (MECH) assistance

\$ 81,096.61 has been expended on this activity to date. \$400.00 was expended this quarter.

*** NOTE: A total adjusting entry of -\$5,941.25 was entered for expenditures this quarter to correct the cumulative expenditure amount. ***



Accomplishments Performance Measures
No Accomplishments Performance Measures found.

Beneficiaries Performance Measures
No Beneficiaries 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	

