

Grantee: Corona, CA

Grant: B-08-MN-06-0506

July 1, 2012 thru September 30, 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:

Reviewed and Approved

Grant Amount:

\$3,602,842.00

Grant Status:

Active

QPR Contact:

Jesus Morales

Estimated PIRL 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****Total Projected Budget from All Sources****This Report Period**

N/A

To Date

\$5,418,186.98

Total Budget

\$0.00

\$5,418,186.98

Total Obligated

\$0.00

\$3,974,437.98

Total Funds Drawdown

\$40,762.63

\$3,400,964.63

Program Funds Drawdown

\$0.00

\$1,987,848.57

Program Income Drawdown

\$40,762.63

\$1,413,116.06

Program Income Received

\$0.00

\$1,815,344.98



Total Funds Expended	\$1,466,179.42	\$4,845,416.14
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	\$264,988.85
Limit on State Admin	\$0.00	\$264,988.85

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:

Staff was contacted by an experienced not-for-profit developer, C&C Development, which had identified an NSP eligible multifamily property and submitted a proposal for assistance to purchase the property. Diligently working with the developer staff was able to get approval to provide a loan of NSP funds, \$2.3 million, to assist in the purchase of a 27 unit apartment building. The developer was able to obtain a loan for the balance of the purchase price \$3.1 million, including minimal relocation and minor rehabilitation costs. The loan documents were approved by City Council on September 19, 2012. Escrow was scheduled to close the first week of October 2012. Further details on the closing will be reported in the next Quarterly Report.

On August 11, 2012 the City published a 15 day Public Notice for the Substantial Amendment to the 2008-2009 and 2010-2011 Annual Action Plans &ndash NSP Funds. The change in the planned use of \$2.5 million NSP1 and NSP 3 funds was from a mixed income new rental development to the acquisition and rehabilitation of existing multifamily residential properties. No comments were received and a copy of the Public Notice was forward to the City&rsquos NSP Representative for review and approval which was received on September 4, 2012 via e-mail.

During the current quarter the budget and rehabilitation scope of work for 926 West 5th Street, a 12 unit apartment building, acquired with the 25% set aside NPS1 funds, was finalized and put out to bid. Five bids were submitted and all were over budget. The scope of work was value engineered and a second bid walk was held with the bids due the second week of October 2012. The results of this bid submittal will be reported on in the next quarterly report. The relocation of existing tenants has been completed, with the exception of one household that needs a 3 bedroom apartment, and final relocation payments have been processed and issued for the other tenants. Plans for the rehabilitation work have been finalized and resubmitted with corrections to the City for approval. The rehabilitation work is scheduled to start in the last quarter of 2012.

The City has a one 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 reassigning and supplementing staff with consultants using NSP administrative funds to maintain the NSP programs at their current level of



efficiency.

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

General Administration

General coordination and technical assistance

Staff assignments and correspondence

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Purchase & Rehabilitation (B)	\$0.00	\$3,613,820.00	\$1,886,856.04
2, Redevelopment (E)	\$0.00	\$1,443,749.00	\$0.00
3, NSP Administration	\$0.00	\$360,617.98	\$100,992.53



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 (HouseHold)

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	Jul 1 thru Sep 30, 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	\$14,077.38	\$896,905.51
City of Corona	\$14,077.38	\$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:

During the current quarter the budget and rehabilitation scope of work for 926 West 5th Street, a 12 unit apartment building property acquired under Activity #1-001, was finalized and put out to bid. Five bids were received and all were over budget. The



scope of work was revised and a second bid walk was held with the bids due the second week in October 2012. The results of this bid submittal will be reported on the next quarterly report. The funding sources include NSP1 and NSP3 set aside funds, NSP1 Program Income, and HOME CHDO funds. The relocation of existing tenants has been completed, with the exception of one household that needs a 3 bedroom apartment, and final relocation payments have been processed and issued for the other tenants. Plans for the rehabilitation work have been finalized and resubmitted with corrections to the City for approval. The rehabilitation work is scheduled to start in the last quarter of 2012.

No Program Income was received for this activity.

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 (HouseHold)

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	Jul 1 thru Sep 30, 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 previously acquired have been rehabilitated and 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 27 unit multifamily property, 121-141-161 Buena Vista Avenue, and 3) for administrative costs associated with these activities. The City published a 15 day Public Notice for the change in activity for this project, Citrus Circle Apartments, on August 11, 2012. The change in the planned use of \$2.5 million NSP1 and NSP 3 funds was from a mixed income new rental development to the acquisition and rehabilitation of existing multifamily residential properties. No comments were received and a copy of the Public Notice was forward to the City’s NSP Representative for review and approval which was provided on September 4, 2012 via e-mail.

No Program Income was received for this activity.

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: Acq/Rehab/Demo/Redev

Activity Category:

Acquisition - general

Project Number:

2

Projected Start Date:

03/01/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Redevelopment (E)

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Corona

Overall	Jul 1 thru Sep 30, 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	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$1,443,749.00	\$1,443,749.00
City of Corona	\$1,443,749.00	\$1,443,749.00
Match Contributed	\$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 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:

Staff was contacted by an experienced not-for-profit developer, C&C Development, that identified an NSP eligible (multi-year property tax defaulted) multifamily property and submitted a proposal for assistance to purchase the property. C&C Development has been developing affordable housing for many years and owns and operates hundreds of affordable housing units throughout Southern California. C&C Development has worked with the City of Santa Ana in the acquisition and



rehabilitation of a multifamily property using NSP funds.

Since there were other potential offers for this property staff worked diligently with the developer to complete all due diligence and were able to get City Council approval to provide a loan of NSP funds, \$2.3 million, to assist in the purchase of this 27 unit apartment building. The developer was able to obtain a loan for the balance of the purchase price, \$3.1 million, and the relocation and minor rehabilitation costs. The City’s contribution of NSP funds will provide affordable covenants on 19 of the 27 units (NOTE: 8 of the 27 units will be acquired for the freeway expansion project). The maximum qualifying income levels and corresponding rents are at 80% of AMI and 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 before the end of the month. Escrow was scheduled to close the first week of October 2012. Further details on the closing will be reported in the next Quarterly Report.

No Program Income was received for this activity.

Accomplishments Performance Measures

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

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

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	0/0	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

Activity Status:

Under Way

Project Number:

3

Project Title:

NSP Administration

Projected Start Date:

11/01/2008

Projected End Date:

07/20/2013

Benefit Type:

()

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

City of Corona

Overall

	Jul 1 thru Sep 30, 2012	To Date
Total Projected Budget from All Sources	N/A	\$141,156.98
Total Budget	\$0.00	\$141,156.98
Total Obligated	\$0.00	\$141,156.98
Total Funds Drawdown	\$40,067.63	\$134,717.24
Program Funds Drawdown	\$0.00	\$26,462.24
Program Income Drawdown	\$40,067.63	\$108,255.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$7,928.04	\$114,576.12
City of Corona	\$7,928.04	\$114,576.12
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 one 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 reassigning and supplementing staff with consultants using NSP administrative funds to maintain the NSP programs at their current level of efficiency. Amount expended during this quarter was: \$7,928.04



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:	3-002
Activity Title:	MECH Admin. Expense

Activity Category:

Administration

Project Number:

3

Projected Start Date:

11/01/2008

Benefit Type:

()

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	Jul 1 thru Sep 30, 2012	To Date
Total Projected Budget from All Sources	N/A	\$50,000.00
Total Budget	\$0.00	\$50,000.00
Total Obligated	\$0.00	\$50,000.00
Total Funds Drawdown	\$0.00	\$50,000.00
Program Funds Drawdown	\$0.00	\$36,416.54
Program Income Drawdown	\$0.00	\$13,583.46
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$50,000.00
 Match Contributed	 \$0.00	 \$0.00

Activity Description:

This activity is to reimburse a portion of administrative expenses incurred by Mary Erickson Community Housing (MECH) the Citys CHDO. At the start of the NSP grant services being provided by MECH, the City requested that MECH have a local presence in the City.

Location Description:

None. This activity supports the other funded activities.

Activity Progress Narrative:

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

Activity Status:

Under Way

Project Number:

3

Project Title:

NSP Administration

Projected Start Date:

11/01/2008

Projected End Date:

07/20/2013

Benefit Type:

()

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

City of Corona

Overall

Jul 1 thru Sep 30, 2012

To Date

Total Projected Budget from All Sources

N/A

\$169,461.00

Total Budget

\$0.00

\$169,461.00

Total Obligated

\$0.00

\$169,461.00

Total Funds Drawdown

\$695.00

\$80,271.61

Program Funds Drawdown

\$0.00

\$38,113.75

Program Income Drawdown

\$695.00

\$42,157.86

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$425.00

\$87,037.86

City of Corona

\$425.00

\$2,460.00

Redevelopment Agency, City of Corona

\$0.00

\$84,577.86

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

General coordination and technical assistance

Staff assignments and correspondence

NSP Program updates

Relocation and tenant protection assistance

Subrecipient (MECH) assistance

DRGR general assistance

Amount expended during this quarter was: \$425.00



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

