

Action Plan

Grantee: Vallejo, CA

Grant: B-08-MN-06-0010

LOCCS Authorized Amount:	\$ 2,657,861.00
Grant Award Amount:	\$ 2,657,861.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,700,000.00
Total Budget:	\$ 4,357,861.00

Funding Sources

No Funding Sources Found

Narratives

Areas of Greatest Need:

Foreclosures and Abandonment of Residential Properties in Vallejo: As of October 17, 2008, there were 513 active single family residences in foreclosure and 69 condominiums in active foreclosure, in Vallejo. Thirty-one percent of these foreclosures were in the North Vallejo area, and twenty-one percent were in Central Vallejo. North Vallejo consists of a relatively small geographic area within the jurisdiction. Based on HUD's data for the six quarters prior to June 30, 2008, the local foreclosure rate in the City of Vallejo was at 9.7 percent, as compared to a State-wide foreclosure rate of 6.7 percent. Subprime Lending in Vallejo: For the period of January 1, 2003 through June 30, 2008, 46 percent of the single family residence loans closed in Vallejo were subprime loans, as follows: 35 percent of all loans provided in Zip Code 94589 (North Vallejo), 46 percent of the loans provided in Zip Code 94590 (Central Vallejo), and 51 percent of the loans provided in Zip Code 94591 (East Vallejo), were subprime. Zip Codes 94589 and 94590 contain CDBG Target Area Neighborhoods, the Country Club Crest and Central City, respectively.

Distribution and and Uses of Funds:

The distribution of NSP funds for the acquisition and rehabilitation of foreclosed properties, and new homebuyer financing, in the City's geographic areas of greatest need, is severely needed.

The City proposes to distribute its NSP funds for acquisition and rehabilitation of foreclosed properties, and new homebuyer financing, in the following priority order: (1) within the North Vallejo area, as shown in Area D0106 on the Multiple Listing Service (MLS) Map published by the Solano Association of Realtors (SAR); and (2) in Central Vallejo, Area D0104 on the SAR MLS Map. Funds will also be used for costs associated for meeting the administrative requirements of NSP.

Definitions and Descriptions:

(1) Definition of "blighted structure" in context of state or local law.

The City has adopted the definition of "blighted structure" found in California Health and Safety Code Section 17920.3.

(2) Definition of "affordable rents"

"Affordable rent" is defined by the City of Vallejo as a housing unit of two bedrooms that a family of four persons is able to rent for no more than 30 percent of their gross income.

(3) Describe how the grantee will ensure continued affordability for NSP-assisted housing.

Using funds from the Housing Authority, in the fall of 2008 the City hired a consultant to complete a feasibility study and analysis for the establishment of a Community Land Trust (CLT). This analysis is anticipated to be completed in January, 2009. If the City deems that a CLT is viable, the City will pursue the creation of a CLT during 2009. Once a CLT is established, the City will use the CLT to ensure continued affordability for NSP-assisted housing. The CLT is intended to be primarily a vehicle for permanently affordable homeownership or, as a second option, lease-to-own homeownership through a CLT. To



that end, NSP funds may be used as gap financing in order to lower the for-sale price of vacant, foreclosed-upon, or abandoned homes, that the City would acquire and renovate, so that they would be affordable to low- and moderate-income buyers. The CLT would then retain ownership of the land beneath the homes acquired, renovated, and sold, and would lease the land to the buyers who eventually purchase the homes. A ground lease would contain durable controls on resale in order to maintain affordability, in exchange for homeownership at below-market prices. CLT homeowners would agree to limit the price at which they might resell their homes. Homes brought into a CLT would be affordable in perpetuity.

For sale-restricted homeownership housing that NSP or other funds may subsidize, a CLT would manage resales, and as such would monitor and enforce the continued affordability of CLT homes, the preservation of these homes in safe, decent, and habitable condition, and the income eligibility of future buyers.

If a CLT is not found to be feasible, or cannot be established within eighteen months of the City's receipt of its NSP funds, (or by or before approximately June 30, 2010), the City will ensure continued affordability through the following alternative methods, in this order of preference: deed-restricted homes; or homebuyer loans with an affordability period pursuant to the federal HOME Investment Partnerships Program standards at 24 CFR 92.252(a), (c), (e), and (f), 92.254.

(4) Describe housing rehabilitation standards

NSP-assisted housing rehabilitation that is completed will, as a first priority, address and eliminate any and all foreclosed-upon property conditions that exist that cause the assisted property to be considered by the City or its agents to qualify as a "blighted structure" as defined in California Health and Safety Code Section 17920.3.

Low Income Targeting:

A key NSP requirement is that at least 25 percent of Vallejo's NSP funds must be used for the purchase and rehabilitation of abandoned or foreclosed homes or residential properties that will be used to house individuals or families that are very low-income, i.e., at 50 percent or below the area median income, (AMI). In addition, unlike the regular CDBG Program, NSP funds may be used to assist persons at up to 120 percent of the AMI. Through the City's existing CDBG Program, households may be assisted who are at no more than 80 percent of the AMI.

Acquisition and Relocation:

The Neighborhood Stabilization Program requires that foreclosed-upon properties that are acquired with these funds must be purchased at a discount of at least five percent per individual property, or at least fifteen percent in the aggregate, i.e., for all properties acquired. If the City develops and documents a methodology which factors in carrying costs and the estimated holding period for a property, the discount may be ten percent in the aggregate.

After an NSP-assisted rehabilitation of a property, the sales price of the home to a new buyer must be at or below the cost of acquisition and rehabilitation. Sales and closing costs may be included in the resale price.

The City does not intend to undertake any NSP activities that will require compliance with the Uniform Relocation Act.

Public Comment:

On November 6, 2008, the City of Vallejo Community Development Commission held a public hearing to receive comments on the draft Substantial Amendment, which included the proposed use of NSP funds as recommended by staff. The following persons spoke:

1. Claudia Humphrey, Lift 3 Support Group, commented that survivors of domestic violence need a continuum of care, including transitional housing, after going through a crisis. She stated that foreclosed-upon properties acquired and renovated by the City with NSP funds could be used to house women who have been victims of domestic violence, and their children.
2. Carol Hardy, Vallejo Neighborhood Housing Service (VNHS), stated that agency's support for the City's application for NSP funds and staff's proposed use. She also indicated that very low-income families may be eligible for homeownership.
3. John Allen, Fighting Back Partnership, stated an interest in partnering NSP with its Parolee Re-Entry Program. He stated that parolees need employment and housing. He proposed a transitional housing living environment of parolees in the Country Club Crest, and indicated that parolee could be hired to help rehabilitate acquired homes.
4. Elvie DeLeon, Global Center for Success, spoke in favor of NSP funds being used in partnership with the Parolee Re-Entry Program.
5. Tony Pearsall, Fighting Back Partnership. spoke in favor of NSP funds being used in partnership with the Parolee Re-Entry Program.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
103-2104-463.40-82	Acqu/Rehab/Resale LMMI	103-2104-463.40-82 103-2104-463.40-82B	Acqu/Rehab/Resale
9999	Restricted Balance	<i>No activities in this project</i>	
A	Homebuyer Assistance	103-2104-463.40-63	Homebuyer Assistance
B	Acqu/Rehab MF LH25	103-2104-463.40-81	Acqu/Multi-Family/Rehab LH25
F	Program Administration	103-2104	Program Administration
Sonoma Estates NSP1	Sonoma Estates Housing Project	40-82	Sonoma Estates NSP1



Activities

Project # / 103-2104-463.40-82 / Acqu/Rehab/Resale LMMI

Grantee Activity Number: 103-2104-463.40-82
Activity Title: Acqu/Rehab/Resale

Activity Type:
 Rehabilitation/reconstruction of residential structures
Project Number:
 103-2104-463.40-82
Projected Start Date:
 03/19/2009
Project Draw Block by HUD:
 Not Blocked
Activity Draw Block by HUD:
 Not Blocked
Block Drawdown By Grantee:
 Not Blocked
National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:
 Under Way
Project Title:
 Acqu/Rehab/Resale LMMI
Projected End Date:
 06/30/2021
Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,098,227.75
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 1,098,227.75

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	4		2	50.00
# of Households	4		2	50.00

Proposed Accomplishments	Total
# of Singlefamily Units	4
# of Housing Units	4



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

VNHS, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
VNHS, Inc.	Unknown	\$ 801,424.75

Location Description:

Areas of greatest need.

Activity Description:

Up to four housing units acquired and rehabilitated will be sold or provided on a lease-to-own basis to households at 51 to 120 percent of the area median income.

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number: 103-2104-463.40-82B
Activity Title: Acqu/Rehab/Resale

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 103-2104-463.40-82

Projected Start Date:
 03/19/2009

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 Acqu/Rehab/Resale LMMI

Projected End Date:
 06/30/2021

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,077,609.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,077,609.00

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	4	3	1	100.00
# of Households	4	3	1	100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	4
# of Housing Units	4
# of Properties	4

Activity is being carried out by
 No

Activity is being carried out through:

Organization carrying out Activity:
 Solano Napa Habitat for Humanity

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Vallejo, California	Unknown	\$ 0.00
Solano Napa Habitat for Humanity	Non-Profit	\$ 1,077,609.00



Location Description:

Areas of greatest need.

Activity Description:

Up to four housing units will be acquired and rehabilitated to house homebuyers at 51 to 120 percent of the area median income, at least three of which will be at 51 - 80% AMI.

Environmental Assessment: COMPLETED

Environmental None

Project # / A / Homebuyer Assistance

Grantee Activity Number: 103-2104-463.40-63
Activity Title: Homebuyer Assistance

Activity Type:
Homeownership Assistance to low- and moderate-income

Project Number:
A

Projected Start Date:
12/01/2009

Project Draw Block by HUD:
Not Blocked

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

National Objective:
LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Benefit Report Type:
Direct (Households)

Activity Status:
Under Way

Project Title:
Homebuyer Assistance

Projected End Date:
06/30/2021

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 473,197.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 473,197.00



Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	7		7	100.00
# of Households	7		7	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	7
# of Housing Units	7

Activity is being carried out by
No

Activity is being carried out through:

Organization carrying out Activity:
VNHS, Inc.

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
VNHS, Inc.	Unknown	\$ 473,197.00

Location Description:
Vallejo, CA

Activity Description:
Provide first time homebuyer assistance to low and moderate income households at or below 120 percent of the AMI.

Environmental Assessment: COMPLETED

Environmental None

Project # / B / Acqu/Rehab MF LH25

Grantee Activity Number: 103-2104-463.40-81
Activity Title: Acqu/Multi-Family/Rehab LH25

Activity Type: Rehabilitation/reconstruction of residential structures

Activity Status: Under Way

Project Number:

Project Title:



B

Acqu/Rehab MF LH25

Projected Start Date:

03/19/2009

Projected End Date:

08/31/2013

Project Draw Block by HUD:

Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:

Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:

Not Blocked

Total Budget: \$ 964,466.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 964,466.00

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

	Total	Low	Mod	Low/Mod%
# Renter Households	15	15		100.00
# of Households	15	15		100.00

of Households

Proposed Accomplishments

of Multifamily Units

Total

15

of Housing Units

15

ELI Households (0-30% AMI)

of Properties

1

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Domus Development Company, LLC

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Domus Development Company, LLC

Organization Type

Unknown

Proposed Budget

\$ 964,466.00



Location Description:

707 Marin Street, Vallejo, CA

Activity Description:

The acquisition and rehabilitation of up to 15 multi-family affordable housing units.

Environmental Assessment: COMPLETED

Environmental: None

Project # / F / Program Administration

Grantee Activity Number: 103-2104
Activity Title: Program Administration

Activity Type:

Administration

Project Number:

F

Projected Start Date:

03/19/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

Program Administration

Projected End Date:

06/30/2021

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 450,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 450,000.00



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Vallejo, California

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Vallejo, California

Organization Type

Unknown

Proposed Budget

\$ 450,000.00

Location Description:

City-wide.

Activity Description:

Administration.

Environmental Assessment: EXEMPT

Environmental None

Project # / Sonoma Estates NSP1 / Sonoma Estates Housing Project

Grantee Activity Number: 40-82

Activity Title: Sonoma Estates NSP1

Activity Type:

Construction of new housing

Activity Status:

Under Way

Project Number:

Sonoma Estates NSP1

Project Title:

Sonoma Estates Housing Project

Projected Start Date:

05/22/2019

Projected End Date:

07/30/2022

Project Draw Block by HUD:

Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:

Activity Draw Block Date by HUD:



Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget:	\$ 294,361.25
Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 0.00
Total Funds:	\$ 294,361.25

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	11		11	100.00
# of Households	11		11	100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	11
# of Housing Units	11
# of Elevated Structures	1
# ELI Households (0-30% AMI)	
#Units & other green	11
#Sites re-used	1
#Units exceeding Energy Star	
#Units with bus/rail access	11
#Low flow showerheads	11
#Low flow toilets	11
#Units with solar panels	

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Community Housing Development Corporation

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Community Housing Development Corporation	Non-Profit	\$ 294,361.25

Location Description:

Vacant parcel at 759 Sonoma Boulevard in South Vallejo CDBG Target Area

Activity Description:



Construction of 11 for-ownership housing units

Environmental Assessment: UNDERWAY

Environmental None

Action Plan Comments:

Action Plan History

Version	Date
B-08-MN-06-0010 AP#1	05/13/2010
B-08-MN-06-0010 AP#2	07/08/2011
B-08-MN-06-0010 AP#3	01/30/2012
B-08-MN-06-0010 AP#4	07/06/2012
B-08-MN-06-0010 AP#5	03/21/2013
B-08-MN-06-0010 AP#6	03/26/2014
B-08-MN-06-0010 AP#7	09/25/2014
B-08-MN-06-0010 AP#8	09/26/2014
B-08-MN-06-0010 AP#9	10/08/2014
B-08-MN-06-0010 AP#10	11/17/2014
B-08-MN-06-0010 AP#11	10/08/2015
B-08-MN-06-0010 AP#12	01/23/2020



