

Action Plan

Grantee: Santa Ana, CA

Grant: B-09-LN-CA-0047

LOCCS Authorized Amount:	\$ 9,984,737.11
Grant Award Amount:	\$ 9,984,737.11
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 2,415,913.44
Total Budget:	\$ 12,400,650.55

Funding Sources

No Funding Sources Found

Narratives

Executive Summary:

The City of Santa Ana will use NSP 2 funds to undertake the following activities/programs under the financing mechanism:

- Downpayment Assistance
- Acquisition of Single Family Homes
- Rental Housing
- Administration

Target Geography:

Various locations throughout the City's NSP 2 Priority Area.

Program Approach:

Eligible Fund Use

The City of Santa Ana will use NSP 2 funds to undertake the following activities/programs under the financing mechanism. Programs 1 and 4, described below, will be implemented by the City and Programs 2 and 3 will be performed by intermediaries working on behalf of the City.

Program 1: Downpayment Assistance - \$400,000

The City will make downpayment loans available to households at or below 120 percent of area median income. These loans will be deferred for thirty years and have zero interest. They will be due and payable at the end of the thirty year period or at such time as the home is sold.

The maximum loan amount will be 10 percent of the sales price or \$40,000, whichever is lower. Borrowers will be required to qualify for fixed conventional first mortgage loan, and downpayment loan amount will be restricted to the amount necessary to purchase the home. This program will be managed by City staff who will work directly with interested homebuyers and realtors. In accordance with requirements, participants will be required to attend a minimum of eight hours of HUD-approved homebuyer counseling.

Program 2: Acquisition and Rehabilitation of Single Family Homes - \$6,100,000

This program will facilitate acquisition and rehabilitation of abandoned or foreclosed owner-occupied residences through



intermediaries. Upon completion, remodeled homes will be marketed and sold to households with incomes at or below 120 percent of area median income. Homes completed through this program will be in compliance with the California Health and Safety Code and will include energy-efficient features and drought-resistant landscaping. The City will provide loans to homebuyers that will carry 3 percent interest rates, and be due and payable in 45 years, or at such time as the home is sold or ceases to be used as the owners' principal residence. The interest will be forgivable over the 45 years. In accordance with requirements, participants will be required to attend a minimum of eight hours of HUD-approved homebuyer counseling.

Program 3: Acquisition and Rehabilitation of Rental Housing - \$2,500,000

This program will be used to acquire and rehabilitate foreclosed or abandoned properties suitable for rental housing (condominiums, duplex, multifamily). After acquisition and rehabilitation, such housing will be code compliant, energy efficient and be restricted to very low-income households at rents affordable to such households. The City has budgeted more than 25 percent of the anticipated NSP grant and will use this program to meet its very low-income requirement. Funds will be offered in the form of residual receipts payment loans carrying interest rates ranging from 0 percent to 3 percent depending on anticipated cash flow. The term of the loan will be 55 years, and the City will record trust deeds and covenants to insure affordability for that period of time.

Program 4: Administration - \$1,000,000

The Administration will provide funding for the City to operate the Neighborhood Stabilization Program.

Income Targeting/Benefit

In accordance with NSP 2 requirements, the City will use all funds appropriated or otherwise made available shall be used with respect to individuals and households whose income does not exceed 120 percent of area median income. Additionally, no less than 25 percent of the total grant will be used to benefit individuals and households whose income does not exceed 50 percent of area median income.

Consortium Members:

The City of Santa Ana is not working with a Consortium

How to Get Additional Information:

All communication regarding this Action Plan should be addressed to the following:

Mr. Judson Brown
Housing Division Manager
City of Santa Ana
20 Civic Center Plaza, M-37
Santa Ana, CA 92701
Tel: (714) 667-2241
Fax: (714) 667-2225
Email: jbrown@santa-ana.org

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
01	Eligible Use A: Financing	NSP2010ARSF	Single Family
		NSP2010DPAP	Downpayment Assistance
		NSP2010RNTL	Rental Housing
		NSP2010RNTL 60%	Rental - 60%
		NSP269152	Crossroads at Washington Rental Housing
02	Admin	NSP2010ADMN	Administration
9999	Restricted Balance	<i>No activities in this project</i>	
NSP2 PI WAIVER	NSP2 PROGRAM INCOME WAIVER	NSP2 PI Waiver	NSP2 Program Income Waiver



Activities

Project # / 01 / Eligible Use A: Financing Mechanism for Purchase,

Grantee Activity Number: NSP2010ARSF
Activity Title: Single Family

Activity Type:

Acquisition - general

Project Number:

01

Projected Start Date:

02/11/2010

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:

Eligible Use A: Financing Mechanism for

Projected End Date:

02/11/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 5,271,528.48

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 5,271,528.48

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

Total

60

Low

Mod

Low/Mod%

0.00

of Households

60

0.00

Proposed Accomplishments

of Singlefamily Units

Total

60

of Housing Units

60



Activity is being carried out by

No

Activity is being carried out through:**Organization carrying out Activity:**

City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

City of Santa Ana Community Development Agency

Organization Type

Local Government

Proposed Budget

\$ 5,271,528.48

Location Description:

Various locations throughout the City's NSP 2 Priority Area.

Activity Description:

This program will facilitate the acquisition and rehabilitation of abandoned or foreclosed owner-occupied residences through intermediaries. Upon completion remodeled homes will be marketed and sold to households with incomes at or below 120 percent of the area median. Homes completed through this program will be in compliance with the California Health and Safety Code and will include energy-efficient features and drought-resistant landscaping. The City will provide silent second loans to homebuyers that will carry 3 percent interest rates, and be due and payable in 45 years, or at such time as the home is sold or ceases to be used as the owner's principal residence. The interest will be forgivable over the 45 years. In accordance with NSP 2 requirements, participants will be required to attend a minimum of eight hours of HUD approved homebuyer counseling. The City anticipates that through this activity it will be able to facilitate the purchase, rehabilitation and resale of at least 60 homes, with an average NSP2 investment of \$60,000 per home.

Environmental Assessment: COMPLETED

Environmental None

Grantee Activity Number:	NSP2010DPAP
Activity Title:	Downpayment Assistance

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

Project Number:
01

Projected Start Date:
02/11/2010

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:
Eligible Use A: Financing Mechanism for

Projected End Date:
09/30/2012

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 128,277.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 128,277.00

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	10		10	100.00
# of Households	10		10	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	10
# of Housing Units	10

Activity is being carried out by
No

Activity is being carried out through:

Organization carrying out Activity:
City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Santa Ana Community Development Agency	Local Government	\$ 88,277.00

Location Description:

Various locations throughout the City's NSP 2 Priority Area.

Activity Description:

The City will make down payment assistance loans available to households at or below 120 percent of area median income. These loans will be deferred for thirty years and have zero interest. They will be due and payable at the end of the thirty years or such time as the home is sold. The maximum loan amount will be 10 percent of the sales price or \$40,000, whichever is lower. Borrowers will be required to prequalify for conventional first mortgage loans, and loan amounts will be restricted to the amount necessary to purchase the home. This program will be managed by City staff who will work directly with interested homebuyers and realtors. In accordance with NSP 2 requirements, participants will be required to attend a minimum of eight hours of HUD approved homebuyer counseling. The City anticipates that through this program it will facilitate the purchase of at least 10 homes. This activity closed as of 9/30/2012, and remaining funds transferred to Single Family activity.

Environmental Assessment: COMPLETED

Environmental None

Grantee Activity Number: NSP2010RNTL
Activity Title: Rental Housing

Activity Type:

Acquisition - general

Project Number:

01

Projected Start Date:

02/11/2010

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

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

Activity Status:

Under Way

Project Title:

Eligible Use A: Financing Mechanism for

Projected End Date:

02/11/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 4,730,038.65

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 4,730,038.65

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

Total	Low	Mod	Low/Mod%
30	30		100.00
30	30		100.00

of Households

Proposed Accomplishments

of Multifamily Units

Total

30

of Housing Units

30

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Santa Ana Community Development Agency

Organization Type

Local Government

Proposed Budget

\$ 4,730,038.65



Location Description:

Various locations throughout the City's NSP 2 Priority Area.

Activity Description:

This program will be used to acquire and rehabilitate foreclosed or abandoned properties suitable for rental housing (condominiums, duplex, multifamily). After acquisition and rehabilitation, such housing will be code compliant, energy-efficient and be restricted to very low-income households at rents affordable to such households. The City has budgeted 25 percent of the anticipated NSP grant for this program and will use it to meet its very-low income requirement. Funds will be offered in the form of residual receipts payment loans carrying interest rates ranging from 0 percent to 3 percent depending on anticipated cash flow. The term of the loan will be 55 years, and the City will record trust deeds and covenants to insure affordability for that period of time. The City anticipates that through this activity it will facilitate the purchase and rehabilitation of at least 30 rental units. The City intends to commit \$2.5 million or 25 percent of its requested grant amount to this activity.

Environmental Assessment: UNDERWAY

Environmental None

Grantee Activity Number: NSP2010RNTL 60%
Activity Title: Rental - 60%

Activity Type:

Acquisition - general

Project Number:

01

Projected Start Date:

10/30/2013

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:

Eligible Use A: Financing Mechanism for

Projected End Date:

01/01/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,085,724.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,085,724.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

Total

20

Low

20

Mod

Low/Mod%

100.00

of Households

20

20

100.00

Proposed Accomplishments

of Multifamily Units

Total

20

of Housing Units

20

of Properties

1

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Santa Ana Community Development Agency

Organization Type

Local Government

Proposed Budget

\$ 1,085,724.00



Location Description:

Located in the NSP 2 project area

Activity Description:

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number:	NSP269152
Activity Title:	Crossroads at Washington Rental Housing

Activity Type: Construction of new housing	Activity Status: Planned
Project Number: 01	Project Title: Eligible Use A: Financing Mechanism for
Projected Start Date: 11/12/2019	Projected End Date: 11/12/2023
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: \$ 0.00
National Objective: LMMI: Low, Moderate and Middle Income National Objective for NSP Only	Most Impacted and Distressed Budget: \$ 0.00
	Other Funds: \$ 0.00
	Total Funds: \$ 0.00

Benefit Report Type:
Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	86			0.00
# of Households	86			0.00
Proposed Accomplishments				
# of Multifamily Units	86			
# of Housing Units	86			

Activity is being carried out by No	Activity is being carried out through:
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Organization carrying out Activity:
City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Santa Ana Community Development Agency	Local Government	\$ 0.00

Location Description:

The Crossroads at Washington affordable housing project located at 1126 and 1146 E. Washington Avenue, Santa Ana, CA 92701, (APNs 398- 092- 13 and 398- 092- 14).

Activity Description:

The proposed Project includes the development of one residential building, subdivided into three (3) residential portions, with 86 units surrounding two interior, landscaped courtyard/ amenity spaces Exhibit 3). Developed at an overall density of 37.7 units per acre, there will be 16 studios, 26 one - bedrooms units, 22 two -bedroom units, 17 three -bedroom units, and 5 four - bedroom units. All units will be flat apartments located on the first, second, and third floors

Environmental Assessment:

Environmental None

Project # / 02 / Admin

Grantee Activity Number: NSP2010ADMN
Activity Title: Administration

Activity Type:

Administration

Project Number:

02

Projected Start Date:

02/11/2010

Project Draw Block by HUD:

Blocked by Judson Brown

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

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

Activity Status:

Under Way

Project Title:

Admin

Projected End Date:

02/11/2013

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:**

Total Budget: \$ 1,150,345.31

**Most Impacted and
Distressed Budget:** \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,150,345.31

Benefit Report Type:

NA



Activity is being carried out by

No

Activity is being carried out through:**Organization carrying out Activity:**

City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

City of Santa Ana Community Development Agency

Organization Type

Local Government

Proposed Budget

\$ 1,150,345.31

Location Description:

The City of Santa Ana

Activity Description:

The City will perform administrative activities necessary to plan and implement the City's NSP 2 funded programs.

Environmental Assessment: EXEMPT**Environmental** None**Project # / NSP2 PI WAIVER / NSP2 PROGRAM INCOME WAIVER****Grantee Activity Number:** NSP2 PI Waiver**Activity Title:** NSP2 Program Income Waiver**Activity Type:**

Administration

Activity Status:

Under Way

Project Number:

NSP2 PI WAIVER

Project Title:

NSP2 PROGRAM INCOME WAIVER

Projected Start Date:

02/01/2015

Projected End Date:

09/30/2015

Project Draw Block by HUD:

Blocked by HQ ADMINISTRATOR

Project Draw Block Date by HUD:

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 Draw Block Date by HUD:**Total Budget:** \$ 0.00**Most Impacted and Distressed Budget:** \$ 0.00**Other Funds:** \$ 0.00**Total Funds:** \$ 0.00**Program Income Account:**

NSP2 PI Waiver Account

Activity is being carried out by

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

City of Santa Ana Community Development Agency

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

City of Santa Ana Community Development Agency

Organization Type

Local Government

Proposed Budget

\$ 0.00

Location Description:

City of Santa Ana

Activity Description:

Temporary project/activity to comply with program income waiver for NSP2 grantees, dated January 28, 2015

Environmental Assessment: EXEMPT**Environmental** None

Action Plan Comments:

- Reviewer - Grantee corrected error. Removed one activity with zero balance. Activity Approved 2/7/2011 hjb
- Reviewer - Grantee corrected error. Removed one activity with zero balance. Activity Approved 2/7/2011 hjb
- Reviewer - Action Plan Amended for moving \$1,791,188 from Single Family Activity (NSP2010ARSF) to our Rental Activity (NSP2010RNTL). Internal Controls were favorable and documented. 4/7/11 hjb
- Reviewer - Grantee budgeted Program Income per instructions with 7.3 release. Approved. 1/10/12 MEA
- Reviewer - Technical amendment to transfer \$336,860 from Activity NSP2010DPAP to Activity NSP2010ARSF. Approved. 9/14/12. EOO.
- Reviewer - Technical amendment to add new construction rental activity. Approved per HQ letter dated October 29th. EOO. 11/1/13.
- Reviewer - Budget updates. Approved. RMD. 4/9/13.
- Reviewer - AP updated to reflect program income received and anticipated in the near future. Increased DPAP funding for eligible project. Approved. RMD. 7/23/15.
- Reviewer - Modifying plan to allow for the drawdown of funds for a rental project from a SF sale. Approved. RMD. 8/11/15.
- Reviewer - Grantee is re budgeting to anticipated program income. approved. RMD. 4/20/16.
- Reviewer - Minor updates. Approved. RMD. 8/1/17.
- Reviewer - Budget updates. Approved. RMD. 4/30/19
- Reviewer - approved. RMD. 1/21/20

Action Plan History

Version	Date
B-09-LN-CA-0047 AP#1	04/09/2010
B-09-LN-CA-0047 AP#2	04/07/2011
B-09-LN-CA-0047 AP#3	01/10/2012
B-09-LN-CA-0047 AP#4	09/14/2012
B-09-LN-CA-0047 AP#5	11/01/2013
B-09-LN-CA-0047 AP#6	04/09/2015
B-09-LN-CA-0047 AP#7	07/23/2015
B-09-LN-CA-0047 AP#8	08/11/2015
B-09-LN-CA-0047 AP#9	04/20/2016
B-09-LN-CA-0047 AP#10	08/01/2017
B-09-LN-CA-0047 AP#11	04/30/2019



