

Action Plan

Grantee: San Bernardino, CA

Grant: B-11-MN-06-0520

LOCCS Authorized Amount:	\$ 3,277,401.00
Grant Award Amount:	\$ 3,277,401.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,124,711.52
Total Budget:	\$ 4,402,112.52

Funding Sources

No Funding Sources Found

Narratives

Summary of Distribution and Uses of NSP Funds:

Activity 1 - Acquisition, Rehabilitation and Resale: The majority of Grantee's NSP3 funds, \$2,130,311, will be used for the acquisition, rehabilitation and resale of foreclosed or abandoned single family homes through participating intermediaries, such as non-profit housing developers. These intermediaries will be retained through a RFP process and will be verified by Grantee staff with recommendations submitted to the City Council. The acquired properties would be selected from the two areas of greatest need identified in Section 2 of this Substantial Amendment. Under this program, Grantee would purchase a foreclosed or abandoned property from the bank or other financial institution at a discount to fair market value through the Grantee's affiliated non-profit organization, Affordable Housing Solutions of San Bernardino ("AHS"). Upon acquisition, one of the intermediaries selected through the RFP process would be assigned by Grantee to secure, maintain, rehabilitate and resell the home to a household whose income does not exceed 120% AMI. The intermediary would rehabilitate the single family unit to meet housing code and HUD rehabilitation standards, including the standard for Energy Star Qualified New Homes. During this period, the intermediary would qualify an applicant for homeownership according to NSP3 guidelines. The intermediary would then sell the home to the applicant for an amount equal to the lower of the home's appraised value or its total development cost. The new homebuyer would then secure a conventional mortgage from one of the Grantee's approved lenders and would close on the home. As part of the qualification process, the qualified homebuyer must complete a minimum of eight (8) hours of homeownership counseling prior to the sale. AHS would hold title to the property until the close of sale to a qualified homebuyer. The decision to allocate most of the NSP3 funding towards this use was based on several factors, with three of these factors having the greatest influence. The first of these factors is the abundant number of foreclosed or abandoned single family homes throughout the City and in the identified areas of greatest need. As was indicated in Section 2 of this document, the City has a foreclosure rate approximately three times that of the country as a whole, and both of the identified NSP3 target areas have approximately 27% of their respective dwelling units in foreclosure or 90 days delinquent. With such high foreclosure rates it should not be difficult to find residential properties eligible to be acquired and rehabilitated with NSP3 funds. Another factor in deciding to implement this housing program is Grantee's experience with a similar program enacted with NSP1 funds. Grantee's experience has shown that there is a high demand for these types of homes, primarily because of the high percentage of households in the City that have an income below 120% AMI. To date, intermediaries working with the Grantee have been able to readily find qualified homebuyers for the homes that have been rehabilitated under the NSP1 program. The final factor is the community's preference for homeownership housing versus rental housing. Through meetings with the City Council it has been established the residents of the City would prefer to provide affordable homeownership opportunities rather than rental opportunities. Activity 2 - Acquisition, Rehabilitation and Rental for Households at or below 50% AMI: Approximately \$819,350 or at least 25% of the total award under NSP3 will be dedicated to provide housing for individuals or families whose incomes do not exceed 50% of AMI. This portion of funding will be used to acquire and rehabilitate small, foreclosed or abandoned, multifamily properties consisting. Available funds moved to Eligible Use E in the amount of \$789,598.70 for



construction of new housing units.

How Fund Use Addresses Market Conditions:

Ensuring Continued Affordability:

Ensuring Continued Housing Affordability of Rental Housing: To ensure continued affordability of NSP3 assisted rental housing, the program will include an annual certification of occupancy including adequate verifiable documentation of income pertaining to each member of the qualifying household. In addition, Grantee will impose affordability covenants for a period of fifty-five (55) years through a deed restriction on rental projects. This is consistent with other multifamily and senior housing developments the Grantee has subsidized in the past under NSP1 and California Redevelopment Law. In its original NSP 3 Action Plan, the City stated that all NSP 3-assisted homeownership units would have an affordability period of 45 years, consistent with requirements under former California Redevelopment Law. In this amendment, the City proposes to amend the affordability period of NSP 3-assisted homeownership units to be in accordance with HOME Program requirement of continued affordability as outlined in the regulations for the HOME Program, 24 CFR Part 92. The change to affordability requirements is necessary to make the housing units more marketable to qualified owner-occupants. Consistent with HUD requirements, the City provided a public notice of the NSP 3 Action Plan technical amendment, by a posting on the City's website at <https://www.ci.san-bernardino.ca.us/>. The public comment period was seven (7) days, which expired on June 16, 2014. No public comments were received.

Definition of Blighted Structure:

The City of San Bernardino uses the State of California’s definition of blight as found in California Health and Safety Code Sections 33030 and 33031.

Definition of Affordable Rents:

The words “Affordable Rents” shall have the same meaning as defined in California Health and Safety Code Section 50053, as such section may be amended from time to time, or as this term is defined in 24 CFR Part 92.2, whichever is the most restrictive, less utility allowances as adopted by the County of San Bernardino Housing Authority Section 8 Program, as appropriate.

Housing Rehabilitation/New Construction Standards:

NSP3 assisted rehabilitation activities will be conducted in accordance with all local, state, and federal codes, statutes, and regulations and/or homeowner or mobile home park rules, and historic preservation requirements, as applicable and will comply with Part 11 of the California Code of Regulations, Title 24, also known as the California Building Standards Code and the Energy Star Qualified New Home standard. A copy of Grantee’s housing rehabilitation standards is available for review at www.sbrda.org. In addition, Grantee’s housing building standards include recommended green building measures.

Vicinity Hiring:

For both of its NSP3 housing program activities, Grantee will enact measures to comply with the vicinity hiring requirements under NSP3. Primarily, Grantee will insert language in its agreements with developers, intermediaries and contractors that requires them to establish procedures for hiring from the NSP3 target areas. These procedures will be consistent with Section 3 and Grantee local hiring guidelines and will be monitored by Grantee staff throughout the Program to ensure compliance.

Procedures for Preferences for Affordable Rental Dev.:

Development of affordable rental housing. The jurisdiction certifies that it will be abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Grantee Contact Information:

NSP3 Program Administrator Contact Information
Branson Mims, Deputy Director of Housing
201 North “E” Street, Suite 301
San Bernardino, CA 92401

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
9999	Restricted Balance	<i>No activities in this project</i>		
NSP3-0001	Acq/Rehab	NSP3-0002	Acq / Rehab / Rental	
		NSP3-0003	Acq / Rehab / Resale	



NSP3-0005	New Construction	NSP3-0005a	Seccombe Lake Park Housing Development
NSP3-000A	Admin	NSP3-000A	Admin



Activities

Project # / NSP3-0001 / Acq/Rehab

Grantee Activity Number: NSP3-0002

Activity Title: Acq / Rehab / Rental

Activity Type:

Acquisition - general

Project Number:

NSP3-0001

Projected Start Date:

03/08/2011

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.

Benefit Report Type:

Direct (Households)

Activity Status:

Under Way

Project Title:

Acq/Rehab

Projected End Date:

03/08/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,270,616.73

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,270,616.73

Program Income Account:

Acq / Rehab / Rental

Proposed Beneficiaries

Renter Households

	Total	Low	Mod	Low/Mod%
# Renter Households	60			0.00
# of Households	60			0.00
Proposed Accomplishments				
# of Singlefamily Units	20			
# of Multifamily Units	40			
# of Housing Units	60			
# of Parcels acquired voluntarily	10			
# of Properties	10			

60

0.00

of Households

60

0.00

Proposed Accomplishments

of Singlefamily Units

Total

20

of Multifamily Units

40

of Housing Units

60

of Parcels acquired voluntarily

10

of Properties

10

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Economic Development Agency of the City of San Bernardino

Organization Type

Unknown

Proposed Budget

\$ 1,270,616.73



Location Description:

Within the Area of Greatest Need as indicated in the Amended Action Plan

Activity Description:

Acquisition / Rehab / Rental

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: NSP3-0003

Activity Title: Acq / Rehab / Resale

Activity Type:

Acquisition - general

Project Number:

NSP3-0001

Projected Start Date:

03/08/2011

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:

Acq/Rehab

Projected End Date:

03/08/2014

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

Total Budget: \$ 1,941,219.19

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,941,219.19

Program Income Account:

Acq / Rehab / Resale

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
45		45	100.00
45		45	100.00

of Households

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Parcels acquired voluntarily

of Properties

Total

45

45

45

45

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

Economic Development Agency of the City of San Bernardino

Organization Type

Unknown

Proposed Budget

\$ 1,941,219.19

Location Description:

Within the areas of greatest need located throughout the City.

Activity Description:

Acquisition / Rehab / Resale

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / NSP3-0005 / New Construction



Grantee Activity Number: NSP3-0005a

Activity Title: Seccombe Lake Park Housing Development

Activity Type:

Construction of new housing

Project Number:

NSP3-0005

Projected Start Date:

04/01/2022

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:

Planned

Project Title:

New Construction

Projected End Date:

04/30/2024

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 789,598.70

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 789,598.70

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

Total	Low	Mod	Low/Mod%
75	19		25.33
			0.0
75	19		25.33

Owner Households

of Households

Proposed Accomplishments

of Elevated Structures

ELI Households (0-30% AMI)

Activity funds eligible for DREF (Ike Only)

#Units with other green

#Sites re-used

#Units exceeding Energy Star

#Units with bus/rail access

#Low flow showerheads

#Low flow toilets

#Units with solar panels

Total

19

19

19



Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Economic Development Agency of the City of San Bernardino	Unknown	\$ 789,598.70

Location Description:

Activity Description:

Funding towards land acquisition and/or construction of approximately a 75 unit mixed income multi-family project consisting of 2-4 bedroom units.

Environmental Assessment: UNDERWAY

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / NSP3-000A / Admin



Grantee Activity Number: NSP3-000A

Activity Title: Admin

Activity Type:

Administration

Project Number:

NSP3-000A

Projected Start Date:

03/08/2011

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:

Admin

Projected End Date:

03/08/2022

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 400,677.90

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 400,677.90

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Economic Development Agency of the City of San Bernardino	Unknown	\$ 400,677.90

Location Description:

Activity Description:

Administrative activities

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Action Plan Comments:

- Reviewer - Rejected - plan needs to better align with submitted written plan. Specific details discussed via telephone. 4.7.11 jwy
- Reviewer - Approved 4.7.11 jwy
- DiGruccio, June 17, 2014 plan submitted to complete spending per HQ and City teleconference. Approved. RMD. 6/18/14.
- DiGruccio, budget change to allocate program income. RMD. Approved. 2/26/15.
- DiGruccio, PI Adjustment. Approved. RMD. 2/29/16.
- DiGruccio, Corrected budget amounts. Approved. RMD. 3/1/16.
- DiGruccio, Submission to submit QPR. Revisions to follow. Approved. RMD. 7/30/19.
- DiGruccio, New project approved by council. Approved. RMD. 4/22/2021.

Action Plan History

Version	Date
B-11-MN-06-0520 AP#7	04/22/2021
B-11-MN-06-0520 AP#6	07/30/2019
B-11-MN-06-0520 AP#5	03/01/2016
B-11-MN-06-0520 AP#4	02/29/2016
B-11-MN-06-0520 AP#3	02/26/2015
B-11-MN-06-0520 AP#2	06/18/2014
B-11-MN-06-0520 AP#1	04/07/2011

