

# Action Plan

**Grantee:** Santa Ana, CA

**Grant:** B-11-MN-06-0522

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<b>LOCCS Authorized Amount:</b>	\$ 1,464,113.00
<b>Grant Award Amount:</b>	\$ 1,464,113.00
<b>Status:</b>	Reviewed and Approved
<b>Estimated PI/RL Funds:</b>	\$ 270,856.58
<b>Total Budget:</b>	\$ 1,734,969.58

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## Funding Sources

**No Funding Sources Found**

## Narratives

### Summary of Distribution and Uses of NSP Funds:

The City will be administering three activities with its NSP3 funding.

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- Activity #1 - Administration that will provide funding needed by the City to operate and manage its NSP3 program.
- Activity #2 - Acquisition/Rehabilitation/Resale of Foreclosed Single Family Homes for Low Income Households will be used to acquire and rehabilitate foreclosed single family housing units to meet the NSP3 requirement that grantees spend at least 25 percent of their funds allocated to households whose annual income does not exceed 50 percent of area median income as determined by HUD
- Activity #3 - Acquisition/Rehabilitation/Resale of Foreclosed Single Family Homes for Low-, Moderate-, and Middle-Income Households will be used to acquire and rehabilitate foreclosed single family housing units. Sale and occupancy will be restricted to households whose annual income does not exceed 120 percent of the area median income as determined by HUD.
- Activity #4 - Redevelopment of Vacant Properties as Rental Housing for Low-Income Households will be used to acquire and redevelop vacant properties as rental housing for low-income households at or below 50 percent of the area median income as established by HUD.
- Activity # 5 - Redevelopment of Vacant Properties as Rental Housing for Low-Income Households will be used to acquire and redevelop vacant properties as rental housing for low-income households at or below 60 percent of the area median income as established by HUD.

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### How Fund Use Addresses Market Conditions:

The areas of greatest need were established by means of a careful evaluation of local housing conditions as shown by the data sources identified above, and an analysis of the relative needs scores of neighborhoods known by staff to be experiencing significant numbers of foreclosures. These needs scores were found on HUD's NSP3 Mapping Tool website. Additionally, staff gave careful consideration to its ability to significantly impact the foreclosure problem in different neighborhoods with the limited funding the City will receive through this third round of NSP funding. Staff prioritized rental



housing by first seeking to identify foreclosure impacted rental communities that had appropriate needs scores, as well as acquisition opportunities that could be accessed using the limited NSP3 funds the City anticipates receiving. The City has been unable to identify such neighborhoods, and consequently will be focusing its efforts on owner occupied single family homes.

### Ensuring Continued Affordability:

In order to ensure continued affordability to the maximum extent practicable and for the longest feasible term for the for-sale and rental properties it assists with NSP3 monies, the City will record affordability covenants that will run for a period of 45 years for owner-occupied properties and 55 years for rental properties. In addition, the City will obtain promissory notes and record trust deeds to secure the NSP3 funds it invests in these for sale properties. These documents will have a 45 year term, and will require payment in full if the owner fails to comply with the terms of the covenants.

### Definition of Blighted Structure:

In accordance with Section 33031 of the California Redevelopment Law, the City of Santa Ana will define blighted structures in the following way:

"Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities."

### Definition of Affordable Rents:

The City of Santa Ana will define affordable rents in a manner consistent with the requirements of the federal HOME Program for very low income rents:

"A rent that does not exceed 30 percent of the adjusted monthly income of a family whose annual income equals 50 percent of the median income for the area as determined by the U.S. Department of Housing and Urban Development, with adjustments for household size and number of bedrooms in the unit."

### Housing Rehabilitation/New Construction Standards:

The City of Santa Ana has modified its existing NSP rehabilitation standards so as to meet the requirements established in NSP3. These newly revised standards are attached to the City's Substantial Amendment as Attachment 2.

### Vicinity Hiring:

The City will be hiring an intermediary through the request for proposals process that will be required to market any employment or contracting opportunities to priority area residents and firms, and to select them to the maximum extent feasible.

### Procedures for Preferences for Affordable Rental Dev.:

Staff gave careful consideration to its ability to significantly impact the foreclosure problem in different neighborhoods with the limited funding the City will receive through this third round of NSP funding. Staff prioritized rental housing by first seeking to identify foreclosed impacted rental communities that had appropriate needs scores, as well as acquisition opportunities that could be accessed using the limited NSP3 funds the City anticipates receiving. The City was unable to identify such neighborhoods, and consequently will be focusing its efforts on owner-occupied single family homes.

### Grantee Contact 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
9999	Restricted Balance	<i>No activities in this project</i>	
Admin	Admin	NSP3ADMIN	Administration
Eligible Use A	Financing Mechanism	NSP3ARRSF120	Acquisition/Rehab/Resale of SF for 120% AMI
		NSP3ARRSF50	Acquisition/Rehab/Resale of SF for 50% AMI
Eligible Use E	Redevelopment of Vacant	NSP3RDEV60	Redevelopment of Vacant Properties - 60%



NSP3REDEV50

Redevelopment of Vacant Properties -  
LH25

NSP3REDEV69152

Crossroads at Washington Rental  
Housing



## Activities

**Project # /**      **Admin / Admin**

**Grantee Activity Number:**      **NSP3ADMIN**  
**Activity Title:**      **Administration**

**Activity Type:**

Administration

**Project Number:**

Admin

**Projected Start Date:**

07/01/2011

**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)

**Activity Status:**

Under Way

**Project Title:**

Admin

**Projected End Date:**

07/01/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:**      \$ 171,798.72

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

**Other Funds:**      \$ 0.00

**Total Funds:**      \$ 171,798.72

**Benefit Report Type:**

NA

**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**

\$ 171,798.72



**Location Description:**

Not applicable

**Activity Description:**

This activity will provide funding needed by the City to operate its NSP3 program. It will be carried out by the City of Santa Ana.

**Environmental Assessment:** EXEMPT

**Environmental** None

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**Project # / Eligible Use A / Financing Mechanism**

**Grantee Activity Number:** NSP3ARRSF120

**Activity Title:** Acquisition/Rehab/Resale of SF for 120% AMI

**Activity Type:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

Eligible Use A

**Projected Start Date:**

07/01/2011

**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

**Activity Status:**

Under Way

**Project Title:**

Financing Mechanism

**Projected End Date:**

07/01/2014

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

**Total Budget:** \$ 441,790.86

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

**Other Funds:** \$ 0.00

**Total Funds:** \$ 441,790.86

**Benefit Report Type:**

Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	1		1	100.00
# of Households	1		1	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	1
# of Housing Units	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	Organization Type	Proposed Budget
City of Santa Ana Community Development Agency	Local Government	\$ 441,790.86

#### Location Description:

Within the City's NSP3 Priority Area.

#### Activity Description:

This activity will be used to acquire and rehabilitate foreclosed single family housing. After acquisition and rehabilitation, these housing units will be code compliant and contain energy efficiency components. Sale and occupancy will be restricted to households whose annual income does not exceed 120 percent of the area median income as determined by HUD.

The City will carry out this activity through an intermediary who will be required to leverage the NSP3 funds with other public and/or private funds so as to maximize the number of units produced. This will address local market conditions by making affordable financing available to low, moderate and middle income households.

The intermediary will also be required to market any employment or contracting opportunities to priority area residents and firms, and to select them to the maximum extent feasible.

As necessary to facilitate the ultimate sale of these units to income qualified households, the City may enter into lease-purchase agreements with the selected households. These agreements will be structured so as to enable them to save the funds required to qualify for first mortgage loans. The City will do this only when a sale has not been finalized within six months of the listing date.

#### Environmental Assessment:

Environmental                      None

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**Grantee Activity Number:** NSP3ARRSF50  
**Activity Title:** Acquisition/Rehab/Resale of SF for 50% AMI

**Activity Type:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

Eligible Use A

**Projected Start Date:**

07/01/2011

**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:**

Financing Mechanism

**Projected End Date:**

07/01/2014

**Project Draw Block Date by HUD:**

**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

**Proposed Beneficiaries**

Total	Low	Mod	Low/Mod%
# Owner Households			0.0
# of Households			0.0

**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**

\$ 0.00

**Location Description:**

Within the City's NSP3 Priority Area.





**Activity Description:**

This activity will be used to acquire and rehabilitate foreclosed single family housing. After acquisition and rehabilitation, these housing units will be code compliant and will contain energy efficiency components. Sale and occupancy will be restricted to households whose annual income does not exceed 50 percent of the area median income as determined by HUD. This will enable the City to meet the NSP3 requirement that grantees spend at least 25 percent of their allocation on such units.

The City will carry out this activity through an intermediary who will be required to leverage the NSP3 funds with other public and/or private funds so as to maximize the number of units produced. This will address local market conditions by making affordable financing available to lower income households.

The intermediary will also be required to market any employment or contracting opportunities to priority area residents and firms, and to select them to the maximum extent feasible.

As necessary to facilitate the ultimate sale of these units to income qualified households, the City may enter into lease-purchase agreements with the selected households. These agreements will be structured so as to enable them to save the funds required to qualify for first mortgage loans. The City will do this only when a sale has not been finalized within six months of the listing date.

**Environmental Assessment:**

**Environmental**                      None

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**Project # /                      Eligible Use E / Redevelopment of Vacant Properties**

<b>Grantee Activity Number:</b>	<b>NSP3RDEV60</b>
<b>Activity Title:</b>	<b>Redevelopment of Vacant Properties - 60%</b>

**Activity Type:**

Construction of new housing

**Project Number:**

Eligible Use E

**Projected Start Date:**

10/01/2013

**Project Draw Block by HUD:**

Not Blocked

**Activity Draw Block by HUD:**

Not Blocked

**Block Drawdown By Grantee:**

Not Blocked

**National Objective:****Activity Status:**

Under Way

**Project Title:**

Redevelopment of Vacant Properties

**Projected End Date:**

10/01/2014

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

**Total Budget:**                      \$ 239,276.00

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

**Other Funds:**                      \$ 0.00



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

**Total Funds:** \$ 239,276.00

**Benefit Report Type:**

Direct (Households)

**Proposed Beneficiaries**

	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Low/Mod%</b>
# Renter Households	20	20		100.00
# of Households	20	20		100.00

**Proposed Accomplishments**

	<b>Total</b>
# of Multifamily Units	20
# of Housing Units	20

**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**

\$ 239,276.00

**Location Description:**

Within the City's NSP3 Priority Area.

**Activity Description:**

The purpose of this program is to acquire properties suitable to be redeveloped as new housing construction for low-income households. Properties to be redeveloped will restrict the use of the property to meet NSP and CDBG eligible uses and a CDBG national objective.

**Environmental Assessment:** COMPLETED

**Environmental** None

**Grantee Activity Number:** NSP3REDEV50  
**Activity Title:** Redevelopment of Vacant Properties - LH25

**Activity Type:**

Construction of new housing

**Project Number:**

Eligible Use E

**Projected Start Date:**

10/01/2013

**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:**

Redevelopment of Vacant Properties

**Projected End Date:**

10/01/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 882,104.00

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

**Other Funds:** \$ 0.00

**Total Funds:** \$ 882,104.00

**Proposed Beneficiaries**

# Renter Households

Total	Low	Mod	Low/Mod%
49	49		100.00
49	49		100.00

# of Households

**Proposed Accomplishments**

# of Multifamily Units

# of Housing Units

**Total**

49

49

**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**

\$ 882,104.00



**Location Description:**

Within the City's NSP3 Priority Area.

**Activity Description:**

The purpose of this program is to acquire properties suitable to be redeveloped as new housing construction for very low- and low-income households. Properties to be redeveloped will restrict the use of the property to meet NSP and CDBG eligible uses and a CDBG national objective.

**Environmental Assessment:** COMPLETED

**Environmental** None

<b>Grantee Activity Number:</b>	<b>NSP3REDEV69152</b>
<b>Activity Title:</b>	<b>Crossroads at Washington Rental Housing</b>

<b>Activity Type:</b> Construction of new housing	<b>Activity Status:</b> Planned
<b>Project Number:</b> Eligible Use E	<b>Project Title:</b> Redevelopment of Vacant Properties
<b>Projected Start Date:</b> 11/12/2019	<b>Projected End Date:</b> 11/12/2023
<b>Project Draw Block by HUD:</b> Not Blocked	<b>Project Draw Block Date by HUD:</b>
<b>Activity Draw Block by HUD:</b> Not Blocked	<b>Activity Draw Block Date by HUD:</b>
<b>Block Drawdown By Grantee:</b> Not Blocked	<b>Total Budget:</b> \$ 0.00
<b>National Objective:</b> LMMI: Low, Moderate and Middle Income National Objective for NSP Only	<b>Most Impacted and Distressed Budget:</b> \$ 0.00
	<b>Other Funds:</b> \$ 0.00
	<b>Total Funds:</b> \$ 0.00
<b>Benefit Report Type:</b> Direct (Households)	

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

<b>Activity is being carried out by</b> No	<b>Activity is being carried out through:</b>	
<b>Organization carrying out Activity:</b> City of Santa Ana Community Development Agency		
<b>Proposed budgets for organizations carrying out Activity:</b>		
<b>Responsible Organization</b> City of Santa Ana Community Development Agency	<b>Organization Type</b> Local Government	<b>Proposed Budget</b> \$ 44,951.00

**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). Located with in the NSP3 target area.

**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:** COMPLETED

**Environmental** None

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**Action Plan Comments:**

- Reviewer - Overall, the grantees approach with feasible targets is justifiable. Acceptable and Approved. hjb 3/1/2011
- Reviewer - The grantee is very unpredictable with recent lost of two NSP employees. They depend on ANR homes / developers to do all acquisition, rehab and sale. They have no otehr planning or approach to spend NSP funds. They also indicated that they may place properties to Lease-to-own after 6 months of market. Need to watch their progress. hjb 1/16/12
- Reviewer - Technical amendment to add new construction rental activity. Approved per HQ letter dated October 29th. EOO. 11/1/13.
- Reviewer - Rejected to allow grantee to complete proposed changes. EOO. 1/29/14.
- Reviewer - Grantee amended action plan to revise activity types from "acquisition-general" to residential reconstruction and allocate program income to admin activity. Approved. EOO. 1/30/14.
- Reviewer - Updating for close out. Approved. RMD. 7/25/14
- Reviewer - re- budgeting activities. Approved. RMD. 4/20/16.
- Reviewer - Budget modifications to draw funds. Approved. RMD. 8/25/16
- Reviewer - Updated the contact information under "Grantee Contact Information". Approved. RMD. 8/1/17.
- Reviewer - Approved. RMD. 1/21/20.

**Action Plan History****Version****Date**

B-11-MN-06-0522 AP#1	03/01/2011
B-11-MN-06-0522 AP#2	01/16/2012
B-11-MN-06-0522 AP#3	11/01/2013
B-11-MN-06-0522 AP#4	01/30/2014
B-11-MN-06-0522 AP#5	07/25/2014
B-11-MN-06-0522 AP#6	04/20/2016
B-11-MN-06-0522 AP#7	08/25/2016
B-11-MN-06-0522 AP#8	08/01/2017
B-11-MN-06-0522 AP#9	01/21/2020

