

Grantee: Santa Ana, CA

Grant: B-09-LN-CA-0047

October 1, 2011 thru December 31, 2011 Performance Report



Grant Number:

B-09-LN-CA-0047

Obligation Date:**Award Date:****Grantee Name:**

Santa Ana, CA

Contract End Date:

02/11/2013

Review by HUD:

Reviewed and Approved

Grant Amount:

\$10,000,000.00

Grant Status:

Active

QPR Contact:

Francisco Hernandez

Estimated PI/RL Funds:

\$1,046,316.37

Total Budget:

\$11,046,316.37

Disasters:

Declaration Number

No Disasters 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

Program Approach:

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:

Ms. Shelly Landry-Bayle
Housing and Neighborhood Development Manager
City of Santa Ana
20 Civic Center Plaza, M-37
Santa Ana, CA 92701
Tel: (714) 667-2287
Fax: (714) 667-2225
Email: SLandry-Bayle@santa-ana.org

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$10,748,822.65
Total Budget	\$748,822.65	\$10,748,822.65
Total Obligated	\$1,028,550.37	\$9,721,513.39
Total Funds Drawdown	\$435,338.20	\$7,735,684.65
Program Funds Drawdown	\$353,843.56	\$6,728,033.86
Program Income Drawdown	\$81,494.64	\$1,007,650.79
Program Income Received	\$92,660.31	\$1,046,316.37
Total Funds Expended	\$0.00	\$6,423,750.59
Match Contributed	\$326,400.00	\$4,809,000.00

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	\$4,809,000.00
Limit on Public Services	\$0.00	\$0.00
Limit on Admin/Planning	\$1,000,000.00	\$391,443.82
Limit on State Admin	\$0.00	\$391,443.82

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$1,000,000.00	\$1,000,000.00



Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$2,500,000.00	\$4,291,188.00

Overall Progress Narrative:

October 1, 2011 - December 31, 2011

-Single Family Homes: During the quarter, there were 28 single family properties evaluated to determine if they met program goals of which 3 were accepted to proceed with an offer. Two of the offers were rejected and one is pending. If accepted the City anticipates closing on this property in the next quarter. There are 5 properties being rehabilitated and 2 available for resale. 5 properties closed escrow and were sold to 80% and 120% AMI eligible households.

-Downpayment Assistance: During this quarter, 14 applications were mailed to interested households and 0 were received. No loans were made this quarter. Staff continues to market the program through the City's website, local real estate agents, neighborhood meetings, email blasts, homebuyer fairs, and faith-based organizations.

-Rental: OHDC and C&C purchased a 26-Unit apartment complex. Temporary and Permanent relocation was completed in during the quarter. Rehabilitation of the units is underway. Construction is scheduled to be completed by June 2012.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
01, Eligible Use A: Financing Mechanism for Purchase,	\$284,491.92	\$9,748,822.65	\$6,524,731.29
02, Admin	\$69,351.64	\$1,000,000.00	\$203,302.57



Activities

Grantee Activity Number: NSP2010ADMN

Activity Title: Administration

Activity Category:

Administration

Project Number:

02

Projected Start Date:

02/11/2010

Benefit Type:

()

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Admin

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Santa Ana Community Development Agency

Overall

Total Projected Budget from All Sources

Oct 1 thru Dec 31, 2011

N/A

To Date

\$1,000,000.00

Total Budget

\$0.00

\$1,000,000.00

Total Obligated

\$0.00

\$1,000,000.00

Total Funds Drawdown

\$89,634.92

\$391,443.82

Program Funds Drawdown

\$69,351.64

\$203,302.57

Program Income Drawdown

\$20,283.28

\$188,141.25

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$19,791.35

\$203,302.57

City of Santa Ana Community Development Agency

\$19,791.35

\$203,302.57

Match Contributed

\$0.00

\$0.00

Activity Description:

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

Location Description:

The City of Santa Ana

Activity Progress Narrative:

The administrative costs through this quarter include program delivery costs for implementation and marketing. Delivery costs include: staff salaries, supplies, foreclosure data, due diligence costs for projects that did not fit the program.

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: NSP2010ARSF

Activity Title: Single Family

Activity Category:

Acquisition - general

Project Number:

01

Projected Start Date:

02/11/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Eligible Use A: Financing Mechanism for Purchase,

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Santa Ana Community Development Agency

Overall

Total Projected Budget from All Sources

Total Budget

Total Obligated

Total Funds Drawdown

Program Funds Drawdown

Program Income Drawdown

Program Income Received

Total Funds Expended

City of Santa Ana Community Development Agency

Match Contributed

Oct 1 thru Dec 31, 2011

N/A

\$748,822.65

\$1,028,550.37

\$345,703.28

\$284,491.92

\$61,211.36

\$92,660.31

\$284,491.92

\$284,491.92

\$326,400.00

To Date

\$5,057,634.65

\$5,057,634.65

\$4,367,185.39

\$4,371,949.41

\$3,623,126.76

\$748,822.65

\$1,046,316.37

\$3,623,126.76

\$3,623,126.76

\$4,809,000.00

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.

Location Description:

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

Activity Progress Narrative:

An adjustment was made to beneficiaries reported. Beneficiaries were reported under the incorrect income level. The entry during Q4 reflects the adjustment needed to correctly report the cumulative total.

The City's Intermediary, ANR, has been actively seeking foreclosed properties through the MLS and the NeighborhoodCommunity Stabilization Trust (NCST). This quarter, ANR assessed 8 properties from the MLS. Of these, ANR put in an offer on 2 properties and 2 were rejected. Through NCST, the City was offered a total of 40 properties this quarter, (9 in October, 21 in November, and 10 in December). Of these, there were 20 single family properties evaluated to determine if they meet program goals of which one property was accepted to proceed with an offer. If accepted the City anticipates closing on this property next quarter. The remaining properties were rejected because they were either not in the NSP 2 Priority Area or did not fit the program goals. Currently, there are 5 single family properties under rehabilitation and 2 properties are available



on the MLS for resale and should close in the next quarter. In addition, 5 properties closed resale escrow and were sold to 80% and 120% AMI eligible households. The City received \$215,482.84 in program income from the resale. See below for more details:

- 323 E. Chestnut - 75% complete; Est. Completion date 01/2012
- 1119 W. 5th - 50% complete; Est. Completion date 01/2012
- 410 Wakeham Ave - 50% complete; Est. Completion date 01/2012
- 1340 Douglas St. - 80% complete; Est. Completion date 01/2012
- 927 W. Berkeley - 80% complete; Est. Completion date 01/2012

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Properties	0		0/0	
# of Parcels acquired voluntarily	0		0/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		20/60	
# of Singlefamily Units	0		20/60	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	-11	5	0/0	3/0	20/60	15.00
# Owner Households	0	-11	5	0/0	3/0	20/60	15.00

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:	NSP2010DPAP
Activity Title:	Downpayment Assistance

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

01

Projected Start Date:

02/11/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Eligible Use A: Financing Mechanism for Purchase,

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Santa Ana Community Development Agency

Overall	Oct 1 thru Dec 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$400,000.00
Total Budget	\$0.00	\$400,000.00
Total Obligated	\$0.00	\$63,140.00
Total Funds Drawdown	\$0.00	\$63,140.00
Program Funds Drawdown	\$0.00	\$63,140.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$63,140.00
City of Santa Ana Community Development Agency	\$0.00	\$63,140.00
Match Contributed	\$0.00	\$0.00

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.

Location Description:

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

Activity Progress Narrative:

During this quarter, During this quarter, 14 applications were mailed to interested households and 0 were received. No loans were made this quarter. Staff continues to market the program through the City's website, local real estate agents, neighborhood meetings, email blasts, homebuyer fairs, and faith-based organizations.



Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	2/10
# of Singlefamily Units	0	2/10

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	1/0	1/10	2/10	100.00
# Owner Households	0	0	0	1/0	1/10	2/10	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: NSP2010RNTL

Activity Title: Rental Housing

Activity Category:

Acquisition - general

Project Number:

01

Projected Start Date:

02/11/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Eligible Use A: Financing Mechanism for Purchase,

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Santa Ana Community Development Agency

Overall

	Oct 1 thru Dec 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$4,291,188.00
Total Budget	\$0.00	\$4,291,188.00
Total Obligated	\$0.00	\$4,291,188.00
Total Funds Drawdown	\$0.00	\$2,909,151.42
Program Funds Drawdown	\$0.00	\$2,838,464.53
Program Income Drawdown	\$0.00	\$70,686.89
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$2,838,464.53
City of Santa Ana Community Development Agency	\$0.00	\$2,838,464.53
Match Contributed	\$0.00	\$0.00

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.

Location Description:

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

Activity Progress Narrative:

The City's Intermediary, Orange Housing Development Corp (OHDC) and C&C Development (C&C) purchased a 26-unit apartment complex within the City's NSP 2 target area on April 8, 2011. Twenty-five units will be restricted to 50% AMI households per the NSP guidelines; the remaining unit will be a manager's unit. Temporary and Permanent relocation was completed in during the quarter. Rehabilitation of the units is underway. Construction is scheduled to be completed by June 2012.



Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Properties	0		0/0	
# of Parcels acquired voluntarily	0		0/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		25/30	
# of Multifamily Units	0		25/30	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/30	0/0	0/30	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	