



Moving to Work

Annual Plan - Amendment #1

Fiscal Year 2009-2010

Stepping stones to an enriched quality of life...



...changing programs to accomplish the local vision.

Submitted: September 15, 2009

Board of Commissioners

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I. INTRODUCTION

Background - In March 2008, the United States Department of Housing and Urban Development (HUD) signed a 10 year Moving to Work (MTW) Demonstration Agreement with the Housing Authority of the County of San Bernardino (HACSB). Subsequently, an Initial MTW Plan was submitted and approved by HUD for the period covering October 1, 2008 through September 30, 2009. In the Initial Plan, HACSB established its long term vision and goals. The Agency submitted a comprehensive Amendment to this Initial Plan and has been working diligently to plan and implement innovative MTW initiatives to solve local problems and increase affordable housing options for residents of the County of San Bernardino.

HACSB recently submitted its Fiscal Year 2009-2010 MTW Annual Plan on July 14, 2009, which is currently pending HUD approval. This Plan is expanding on the Initial Plan's MTW activities and the Agency is currently preparing for the planning and implementation of these additional initiatives. On July 14, 2009, HUD released the HOPE VI Notice of Funding Availability which requires that the agency's MTW Annual Plan have incorporated its HOPE VI Revitalization Plan. Subsequent to its submission of the FY 2010 MTW Plan HACSB completed its HOPE VI Revitalization Plan.

Through this amendment for the current fiscal year (October 1, 2009 through September 30, 2010), the HACSB is amending its FY 2010 MTW Plan to incorporate the HOPE VI Revitalization Plan for the Lugonia Avenue public housing site in Redlands, California. There are no other changes to the MTW Annual Plan.

II. GENERAL OPERATING INFORMATION

Initial Plan - The FY 2010 MTW Annual Plan included general operating information about the types and number of units administered by HACSB. The Agency is amending this portion of the FY 2010 MTW Plan to incorporate its plans for the revitalization of Lugonia Avenue public housing site in Redlands, California. The FY 2010 Plan submitted on July 14, 2009 included information on the proposed demolition of the Lugonia Avenue public housing site but details of its proposed revitalization were not included. The FY 2010 Plan stated the following in the Housing Stock Information section:

HOUSING STOCK INFORMATION

HUD Unit Summary – *The chart below summarizes the Public Housing units at the beginning of the year, the changes in units anticipated during the year and the total units projected at the end of the current plan year. This chart also summarizes the authorized number of MTW Housing Choice Vouchers and authorized Project Based Vouchers at the beginning of the year; Project Based Vouchers to be added during the year; authorized*

Non-MTW vouchers; and, the total Housing Choice Vouchers authorized at the end of the current plan year.

HACSB HOUSING STOCK SUMMARY – HUD PROGRAMS			
Public Housing	Number of Units	Housing Choice Vouchers	Number of Vouchers
Total Public Housing Units Under ACC	1,676	MTW Tenant Based Vouchers Beginning of Year	7,328
Units Permanently Off-Line	9	Project Based Vouchers Beginning of Year	349
Total Public Housing Units Available for Occupancy	1,667	MTW Vouchers to be Project Based During the Year	71
Units to be Removed from the ACC During the Year	702	TOTAL MTW VOUCHERS	7,748
Units to be Added During the Year	0	Non MTW Vouchers	170
TOTAL ALL UNITS END OF YEAR	965	TOTAL ALL VOUCHERS	7,918

Public Housing – As noted above, HACSB plans to remove 702 units from the existing Public Housing ACC; 367 units will be demolished and the sites redeveloped as Mixed Income Housing Developments. The balance of 335 will be disposed of to an affiliate non-profit entity of the Housing Authority. The chart on the following page lists the individual sites and number of units that will be removed from the Public Housing ACC. The first four sites: 19-001, 19-002, 19-008 and 19-009 will be redeveloped as Mixed Income communities and will contain some new public housing units, but development plans have not yet been finalized and new unit types and counts have not been determined.

PUBLIC HOUSING UNITS TO BE DEMOLISHED		
Development(s)	Type	Number of Units
CA16P019-001 (Redlands-Lugonia)	Family	50
CA16P019-002 (San Bernardino-Waterman)	Family	252
CA16P019-008 (Redlands-Lugonia)	Family	45
CA16P019-009 (Redlands-Lugonia)	Elderly	20
TOTAL UNITS TO BE DEMOLISHED		367

Justification for Demolition – The above units have been identified for removal from the Public Housing ACC through demolition because these units are no longer financially or physically viable to maintain as public housing. More detailed information will be submitted with the demolition application to the Special Applications Center (SAC) during the plan year.

The number of units to be demolished remains the same as described in the above narrative included in the FY 2010 Annual Plan. However, since its submittal of the FY 2010 MTW Annual Plan, HACSB has finalized plans with its partner, McCormack Baron Salazar, for the revitalization of the Lugonia Avenue public housing site, including the number of new units. The Agency intends on redeveloping the site using HOPE VI funding among other sources. HACSB intends on submitting the following to HUD by the November 17, 2009 HOPE VI Application deadline:

HOPE VI Application Narrative

In response to the U.S. Department of Housing & Urban Development's Fiscal Year 2009 Notice of Funding Availability (NOFA) for the HOPE VI Revitalization Grant Program, the Housing Authority of the County of San Bernardino (HACSB) and McCormack Baron Salazar (MBS) are pleased to submit this request for a HOPE VI Revitalization Grant in the amount of \$22 million that will be used for the revitalization and redevelopment of the Lugonia Avenue public housing site in Redlands, California. The Lugonia Avenue public housing redevelopment that is the subject of this specific application and request for funding is PIC number CA16P019-001, 008 and 009, which is part of AMP CA019000150.

The Lugonia Avenue Master Plan (Master Plan) which was developed and adopted in 2008 by HACSB and its stakeholders, includes the relocation of all current residents and demolition of all existing buildings and infrastructure improvements. Public housing residents will have the opportunity to integrate into a new mixed-income community that will offer a variety of modern rental unit types as well as new single family homes. The Master Plan calls for the creation of 189 new affordable rental units and 39 new affordable homeownership opportunities for first-time homebuyers and public housing residents. The implementation of the Master Plan will result in a new and vibrant mixed-income development in an already stable neighborhood located on the northern edge of downtown Redlands.

The Lugonia Avenue redevelopment consists of the construction of 189 new rental units affordable to public housing residents and families earning between 30% and 60% of the Area Median Income. The plan re-imagines the Lugonia Avenue site with a blend of two-story townhouses and garden flats as well as an ample amount of open space and resident amenities. Of the 189 new rental units, 60% (115 units) will replace one hundred fifteen (115) existing public housing on the site (one-for-one replacement). The new intergenerational design and unit mix responds to the documented need for 1-, 2-, 3- and 4-bedrooms units for families with children, individuals and seniors. The estimated total development cost of all phases of the development is approximately \$70,000,000. HACSB is requesting \$22 million in HOPE VI Revitalization Grant funds to execute the overall development. In addition to its contribution of the land and agreement to allocate \$3.2 million of its' Public Housing Capital Funds to the development, the applicant has secured permanent financing commitments in the amount of approximately \$40,000,000 which represents the

leveraging of \$1.8182 for each \$1.00 of HOPE VI funds requested. In addition to the requirement to meet the conditions for financing stipulated by the HOPE VI NOFA, the financing commitments secured from the conventional lender and equity investor, which are used to calculate the leveraging ratio, are explicitly conditioned upon the award of HOPE VI funds in the amount requested as well as the award of Low Income Housing Tax Credits in 2010.

The HOPE VI Revitalization Grant will not supplant revenues or expenditures from other Federal, State, or local funding sources. The costs associated with demolition, relocation and infrastructure improvements are included in the total development costs referenced above.

A. Project Background and Severe Distress

The Lugonia Avenue public housing site spans approximately 19 gross acres and consists of a total 115 dwelling units. The project site was originally planned and developed in three separate phases. The first phase was developed in 1943 with 50 multi-family units (PIC number CA16P019-001). The second (PIC number CA16P019-008) and third (PIC number CA16P019-008) phases were developed in 1961, with 45 and 20 units respectively. The Lugonia Avenue public housing redevelopment that is the subject of this specific application and request for funding is PIC number CA16P019-001, 008 and 009 which is part of AMP CA019000150.

The subject property is located at the northeast corner of Lugonia Avenue (State Highway Route 38) and Orange Street. The site was planned and developed utilizing a single story duplex design and consists of 113 residential units, management building and a converted duplex that is used to operate a Head Start program. The existing site plan for the complex is disjointed. In particular, the design for the Lugonia Avenue public housing site has become antiquated due to the transition of the North Redlands neighborhood from a farming community to a stable, well-functioning residential neighborhood. Front loading units onto Lugonia Avenue, which is a State Highway, pose potential vehicular and pedestrian safety hazards. Cul-de-sacs and mail box locations on Orange Street (a critical vehicular artery) pose potential safety hazards, contribute to the congestion of a well traveled street and limit opportunities for future development. An off-setting intersection at Orange Street and Delaware Avenue adds to the circulation limitations of the site and surrounding neighborhood.

The blighted Lugonia Avenue public housing development, as thoroughly documented by the report prepared by Castle & Grey, Inc., is isolated from the surrounding community and severely distressed. Current building systems are antiquated and inadequate as they predate modern UBC building code standards; foundations, walls and structural engineering of the dwelling units do not meet existing seismic standards; units are very small, and lack standard amenities consistent with new multi-family developments. The most serious concern is the blown insulation added to the attics of units in the 1980's. The insulation poses a fire hazard and presents a serious code violation. Additionally, Lugonia Avenue residents reported problems ranging from peeling paint, vandalism, personal and property safety concerns, poor lighting, lack of central air and heat, outdated electrical systems and inadequate storage through out the project. Asphalt and concrete

street and pavements are severely damaged and the site Infrastructure and utility systems are inadequate, outdated and should be replaced.

In the Housing Authority of the County of San Bernardino's Moving-To-Work Plan Fiscal Year 2010 Plan, Lugonia Avenue is cited as one of only two public housing projects scheduled for demolition due to the financial and physical non-viability of maintaining these units as public housing.

Given the project's size and location, the successful redevelopment of Lugonia Avenue is critical to the revitalization of North Redlands neighborhood. The Housing Authority of the County of San Bernardino seeks demolition approval for the entire Lugonia Avenue site in order to implement the adopted Master Plan.

B. Description of Surrounding Community & Impact

The surrounding community is predominantly single-family residential, but has a mix of additional uses including commercial, neighborhood serving retail, agricultural and civic. The North Redlands neighborhood has very good access to public transit. The San Bernardino-based Omnitrans bus system provides extensive bus service for the area. Routes 8 and 15, with stops at Lugonia Avenue at Orange Street, provide public transit access to retail centers, colleges and universities, Loma Linda Hospital, and the San Bernardino International Airport. The project site is located in a stable residential neighborhood and is in close proximity to a public park, full-scale grocer, pharmacy, senior center, Boys and Girls Club, and two public schools. Moreover, the site provides good road connectivity, as it is close to a major freeway and two state highway routes.

Although located in a stable residential community, the North Redlands is a historically higher-poverty and disinvested 2 squared mile area immediately north of downtown Redlands. The poverty rate for the census tract 80.02, which serves a large segment of the North Redlands neighborhood was 27.6% in 2000, while the poverty rate for the entire City of Redlands was approximately 7.7%. Moreover, the median family income for the census tract 80.02 was \$28,310 in 2000, while the median family income for the entire City of Redlands was \$48,155. Furthermore, the North Redlands neighborhood has some of the oldest housing stock in the City of Redlands. According to Census 2000, 37% of the housing stock in the neighborhood was constructed before 1950 and 32% before 1970. The area has a higher concentration of dilapidated and non-conforming housing with a higher concentration of vacant parcels when compared to other parts of the city.

In 2008, the City's Redevelopment Agency adopted the North Redlands Revitalization Project Area to galvanize city departments, resources and commitments to achieve comprehensive revitalization in the North Redlands neighborhood, including improvements to public transportation, support of retail development, job creation for residents, pedestrian or bikeways, park and recreation, housing renovation/development and other activities that enhance the quality of life for residents. The Lugonia Avenue revitalization, as proposed by the HACSB, will serve as central part of the City's commitment to revitalize North Redlands, and continues the wave of reinvestment northward that will result in a positive transformative impact for the community. The

2009 CFRC Transformation Plan for Lugonia Avenue represents a very critical next stage of the City of Redlands Redevelopment Agency's Plan to revitalize North Redlands.

C. Description of Proposed Redevelopment Activity

Public Housing Transformation Plan: *Rehabilitation of Severely Distressed Public Housing Site*

The Lugonia Avenue Plan includes the demolition of the existing distressed public housing, and its replacement with a new green community with housing, open space and much need infrastructure. HACSB and MBS propose to transform the Lugonia Avenue public housing site into a mixed-income intergenerational development with housing choices that range from 1- to 4-bedroom rental units and single-family for-sale units. The design concept re-imagines the development with new residential building types including single family homes, townhouses and stacked townhouses over flats in the style of the City of Redlands neighborhood tradition.

Our team is committed to ensuring that the proposed new development will meet the highest standards of health and safety, and will incorporate a sustainable green development approach to design. We aim to create a dynamic residential community that will eliminate institutional elements by constructing well designed units with spacious but efficient floor plans using warm, welcoming materials, and drawing on national best practices in design.

The guiding principles of the design are:

- Develop a livable, balanced mix of residential housing types— rental and for sale
- One-to-one public housing unit replacement
- Diversity of income - very low, low, and moderate
- Variety of unit size and scale
- Build in the style of the Redlands neighborhood tradition
- High quality of living throughout (no disparity, grouping, or phasing by income)
- Durability of materials and design
- Low operating and maintenance costs
- Provide key resident amenities
- Accessible active and passive recreation space
- Create a community oriented design
- Improve traffic management, accessibility, and integration with adjoining neighborhoods
- Incorporate a Sustainable Green Development Plan and architectural design

The new units will be designed for households of varying sizes (one-to-four bedrooms are provided) with amenities that Lugonia Avenue currently lacks, including central air conditioning, in-unit washers/dryers, dishwashers, multiple baths in large units, Energy Star appliances, walkability, accessible units, private and defensible space, and much more. These amenities not only meet the needs of current Lugonia Avenue families, but

are critical in attracting new households with who were previously deterred by the distressed conditions of the existing property.

Community Facilities

A community recreation Village Green area will be built as part of Phase A to provide for safe outdoor activities for Lugonia Avenue residents, including a swimming pool and multiple playground facilities. A management and community building totaling approximately 7,000 square feet will be located adjacent to the Village Green. This facility will house on-site property management staff, maintenance, and community and social service programs and provide meeting, program and recreational space for neighborhood children and their families, including a computer lab and fitness center.

The applicant has procured Urban Strategies, Inc. to serve as a consultant to work with neighborhood based service providers to undertake the development of a Community and Social Services Plan (CSS) aimed at improving the quality of residential life and assisting families in moving toward self-sufficiency. The CSS program will offer appropriate services to address barriers to self-improvement for adults, children and seniors.

Urban Strategies, Inc. is a non-profit organization that has worked on community development and human services programs in cities throughout the United States, typically in conjunction with the major physical redevelopment of communities. Urban Strategies was incorporated in 1978 to bring social and supportive services to low- and mixed-income housing developments, and to assist communities to form self-governance structures to oversee the management of programs and services.

The guiding goals of the CSS Plan are:

- Develop a comprehensive, community driven planning of an integrated human services network
- Focus upon building the capacity of community leaders and planning for sustainability
- Transfer expertise and organizational skills and to increase each client's capacity for self-determination and self-sufficiency
- Develop a Community Task Force (CTF) made up of residents, key institutions and employers, community groups, and the public sector, to develop a partnership of service providers

Financing Overview

Phase A

Phase A of the Lugonia Avenue redevelopment consists of the construction of 117 new rental units affordable to public housing residents and families earning between 30% and 60% of the Area Median Income. The plan for Phase A re-imagines the Lugonia Avenue site with a blend of two-story townhouses and garden flats as well as an ample amount of open space and resident amenities. Of the 117 new rental units, 37% (43 units) will replace fifty (50) existing public housing on this portion of the site. The new intergenerational design and unit mix responds to the documented need for 1-, 2-, 3- and

4-bedrooms units for families with children, individuals and seniors. The estimated total development cost of Phase A is \$35,221,119. The costs associated with demolition, relocation and infrastructure improvements included in the total development costs referenced above, represent the fair share allocation of costs specifically attributable to the revitalization of Phase A only.

Phase A. Financing Overview

Phase A of the redevelopment plan will be financed with combination of Federal Low Income Housing Tax Credits, HOPE VI Revitalization Grant funding, conventional financing and HACSB resources. In addition to \$9,923,119 in HOPE VI funding, the permanent sources of funds for the Phase A project budget include: a conventional first mortgage in the amount of \$3,975,000 to be provided by California Community Reinvestment Corporation (CCRC), \$18,123,000 in investor equity from the sale of Federal Low Income Housing Tax Credits (LIHTC) to be provided by Hudson Housing Capital and \$3,200,000 in HACSB Moving-to-Work Capital Funds. In addition to its financial contribution, HACSB will provide the land at no cost and will enter into a long-term ground lease at \$1.00 per year with the new development entity. JPMorgan Chase Bank has also committed to provide a construction loan in the amount of \$11,554,893 which will include bridge financing in the amount of \$7,579,893 during the construction period.

Phase B

Phase B of the Lugonia Avenue redevelopment consists of the construction of 72 new rental units affordable to public housing residents and families earning between 30% and 60% of the Area Median Income. The plan for Phase B re-imagines the Lugonia Avenue site into a sustainable green community with a blend of two-story townhouses and garden flats as well as an ample amount of open space and resident amenities. Of the 72 new rental units, 41% (30 units) will replace sixty-five (65) existing public housing on this portion of the site.

The new intergenerational design and unit mix responds to the documented need for 1-, 2-, 3- and 4-bedrooms units for families with children, individuals and seniors. The estimated total development cost of Phase B is \$24,994,291. HACSB estimates \$7,033,491 in HOPE VI Revitalization Grant funds to execute Phase B of the Master Plan. In addition to its contribution of the land, the applicant has secured permanent financing commitments in the amount of \$17,960,800. The costs associated with demolition, relocation and infrastructure improvements included in the total development costs referenced above, represent the fair share allocation of costs specifically attributable to the revitalization of Phase B only.

Phase B. Financing Overview

Phase B of the redevelopment plan will be financed with combination of Federal Low Income Housing Tax Credits, HOPE VI Revitalization Grant funding, Investment Tax Credits, conventional financing and HACSB resources. In addition to \$7,033,491 in HOPE VI, the permanent sources of funds for the Phase B budget include: a conventional first mortgage in the amount of \$1,660,000 to be provided by California Community Reinvestment Corporation (CCRC) and \$16,140,000 in investor equity from the sale of Federal Low Income Housing Tax Credits (LIHTC) to be provided by Hudson Housing Capital as well as \$160,800 in Solar Tax Credit Investment Equity from U.S. Bank. In addition, HACSB will provide the land at no cost and will enter into a long-term ground lease at \$1.00 per year with the new development entity. JPMorgan Chase Bank has also

committed to provide a construction loan in the amount of \$10,575,312 which will include bridge financing in the amount of \$9,095,312 during the construction period. The applicant has secured permanent financing and equity commitments in the amount of \$17,960,800. Note: financing commitments secured from the conventional lenders and equity investor for Phase B, are explicitly conditioned upon the award of HOPE VI funds as well as the award of Low Income Housing Tax Credits in 2010.

Extraordinary Costs - On-Site and Off-Site Costs

The redevelopment of the Lugonia Avenue site will require HACSB and MBS to incur construction costs that would otherwise not be incurred in developing the immediate on-site related building, pavement and utility infrastructure improvements. These extraordinary site costs will include:

1. The demolition and removal of the entire underground existing sewer, water, overhead primary electrical and gas main utility infrastructure that traverse the site
2. The demolition and removal of the full street network of public streets
3. The new construction of utility infrastructure for sewer, water, primary overhead electrical, street lighting and gas main networks throughout the site
4. The excavation and re-compaction of a minimum of five (5) feet of the existing soil throughout the entire site
5. The new construction of proposed on-site private streets
6. The widening of off-site public streets (Lugonia and Orange Streets)
7. The installation of photovoltaic solar panel technology to provide at least 10% of the development's estimated electricity demand.

Preliminary cost estimates obtained to complete the proposed multi-phased redevelopment of the Lugonia Avenue site indicate that the costs associated with all on-site and off-site improvements, including demolition, environmental remediation, grading, new infrastructure and utility systems, fencing, landscaping and site equipment, will total approximately \$10,000,000. The costs associated with the necessary on-site and off-site improvements related to Phase A of the redevelopment plan are estimated to be approximately \$6.1 million or 60% of the total. The costs associated with the necessary on-site and off-site improvements related to Phase B of the redevelopment plan are estimated to be approximately \$2.9 million or 30% of the total. The costs associated with the necessary on-site and off-site improvements related to Phase C (single-family) of the redevelopment plan are estimated to be approximately \$1 million or 10% of the total.

Single Family

The Lugonia Avenue Master Development Plan also includes 39 for-sale detached homes. The balance of HOPE VI Revitalization Grant funding will be leveraged with private capital to create this phase. Focused on creating a vibrant and charming neighborhood, the single-family homes will target low- and moderate-income households earning between 80% - 150% of the area medium income. Additional consultation and market analysis is required to assess market conditions and determine specific income targeting goals.

Sustainable Design

As part of the overall strategy to create a healthy, sustainable, energy-efficient and cost saving residential development, Phase A and subsequent phases of the multi-phased redevelopment of the Lugonia Avenue site will comply with mandatory Enterprise Green Communities Criteria for new construction. The development will also comply with Optional Enterprise Green Communities Criteria in order to achieve additional reductions in energy use, incorporate passive solar heating and cooling systems and promote an enhanced healthy living environment.

D. Development Team

Sponsor

HACSB was organized in 1941 under the U.S. Housing Act of 1937 and the State of California Housing Authorities Law of 1938, for the purpose of developing low-rent public housing for low-income families in San Bernardino County. The Housing Authority was authorized to function by resolution of the Board of Supervisors on June 23, 1941, officially launching the agency. The Housing Authority serves over 32,000 low-income individuals, families and seniors in San Bernardino County and currently owns and operates seven large public housing projects with a portfolio that includes 1,673 public housing units. In 2008, the Appropriations Act added the Housing Authority of the County of San Bernardino as a Moving to Work (MTW) agency.

According to HUD's Public Housing Assessment System (PHAS) HACSB is a high performer with a score of 97. HACSB is also in compliance with the Capital Fund expenditure requirements.

Developer Partner

McCormack Baron Salazar (MBS) is a nationally acclaimed for-profit residential development company specializing in the revitalization of urban neighborhoods. The firm is often called upon by cities and local agencies to provide housing opportunities in difficult to develop areas and underserved or at risk populations. MBS has extensive experience in redevelopment, adaptive reuse and rehabilitation of historic structures as well as in managing major repair and rehabilitation programs.

For over 30 years, the firm has developed an intimate knowledge of designing, financing, building and managing mixed-income affordable housing developments. MBS has completed or has under construction approximately 15,000 units of mixed-income housing units and over 1.1 million square feet of commercial uses across the country, including 23 HOPE VI sites across the country. In the past five years alone, the company has completed 40 developments creating over 4,218 housing units with a combined total development cost of \$824,623,755.

Master Planner and Project Architect

William Hezmalhalch Architects (WHA) will be the Master Planner and Project Architect, responsible for all aspects of the design, starting with the conceptual level and including both housing and public infrastructure improvements. WHA focuses on addressing projects with an integrated design approach to develop creative, responsive, value-added and achievable place-making solutions. The firm undertakes each project

with a fresh approach, not preconceived beliefs or solutions. As problem-solvers, WHA delivers expertise in multiple disciplines and project types to analyze, program, conceptualize, resolve and validate cohesive planning and architectural alternatives with the objective of fulfilling the needs of clients, as well as community stakeholders and residents. WHA is a California Corporation with offices in Santa Ana.

Property Management

In addition to developing mixed-income housing McCormack Baron Salazar through its affiliate, McCormack Baron Ragan Management Services, Inc. (MBR) offers full service property management with 30 years of experience managing residential real estate that includes market-rate, project-based Section 8, public housing and Section 42/Low Income Housing Tax Credit properties or a combination of one or more at a single property. MBR currently manages approximately 15,000 apartment units in 16 states. MBR manages McCormack Baron Salazar-developed properties and also provides fee management services for other selected developers and housing authorities. As a result of MBR's extensive and ongoing preventive maintenance and capital improvement schedules, the units in the company's portfolio are kept in "as new" condition.

Schedule

The project is ready to proceed, and upon securing the requested HOPE VI Grant and an allocation of Federal Low Income Housing Tax Credits, can meet the timeframes required by the NOFA. HACSB can meet all statutory time limits pursuant to the NOFA, including submitting the development proposal within 12 months of the Grant Agreement, closing the first phase (financing secured) within 15 months of Grant agreement execution, and expending 100% of the grant funds by September 30, 2014. The site for the Lugonia Avenue project will need to relocate existing residents and cleared prior to construction. The Housing Authority is ready to move forward on the final planning, design, and construction of the revitalization project immediately upon grant award.

Below is a schedule with key milestones to plan, design and construct the Lugonia Avenue development illustrating that HACSB can meet the time limits of the grant as stipulated by the NOFA.

March 1, 2010	Grant Agreement Executed
November 1, 2009	Complete Community Planning and Survey Work
January 3, 2010	Complete Geotechnical Investigation Begin Site Preparation Design
June 1, 2010	Submit Development Proposal to HUD

	Begin Site Preparation Work Begin Relocation
July 8, 2018	Submit LIHTC 9% Tax Credit Application
September 9, 2010	Award LIHTC 9% Tax Credit Equity Complete Architectural and Engineering Plans Specifications for Building
December 15, 2010	100% Obligation of Funds Complete Relocation Financial Closing with HUD and Tax Credits Complete Site Preparation Work Start Construction of Buildings
January 3, 2012	Public Infrastructure 100% complete
September 1, 2013	Construction Completion - Building 100% complete All Equipment, Furnishings and Fixtures Installed
October 1, 2013	Begin Community Center Programming
February 1, 2014	100% of Grant Funds Expended

III. LONG-TERM MTW PLAN

There are no proposed changes to the Long-Term MTW Plan in this amendment.

IV. PROPOSED MTW ACTIVITIES

There are no proposed MTW activities in this amendment.

V. ONGOING MTW ACTIVITIES

There are no proposed changes in this amendment to the activities originally submitted and approved through the FY 2010 MTW Plan and the Initial Plan.

VI. SOURCES AND USES OF FUNDS

There are no proposed changes to the Sources and Uses of Funds.

VII. ADMINISTRATIVE

- A. **Resolution of the Board of Commissioners** – Attached in the appendices is the Resolution of the Board of Commissioners adopting this Annual MTW Plan along with the Certificate of Compliance prescribed by HUD in Exhibit B of the MTW Agreement. *Pending board approval.*
- B. **Planned Ongoing Agency Evaluations of the Demonstration** – As of the submission of this plan, HACSB does not have any planned or ongoing Agency-directed evaluations of the MTW Demonstration.

**APPENDIX A: BOARD RESOLUTION ADOPTING 2010 PLAN AMENDMENT
#1**

Pending board approval.

APPENDIX B: PUBLIC PROCESS

The following steps were taken by HACSB to ensure a thorough public process in the development and adoption of the FY 2009-2010 MTW Annual Plan- Amendment #1:

Tuesday, September 25: Public notice published in the San Bernardino Sun announcing the public hearing on Wednesday, October 14th; text and Affidavit of Publication included as part of Appendix B

Plan posted on HACSB's website and made available at HACSB offices

Additional processes pending.