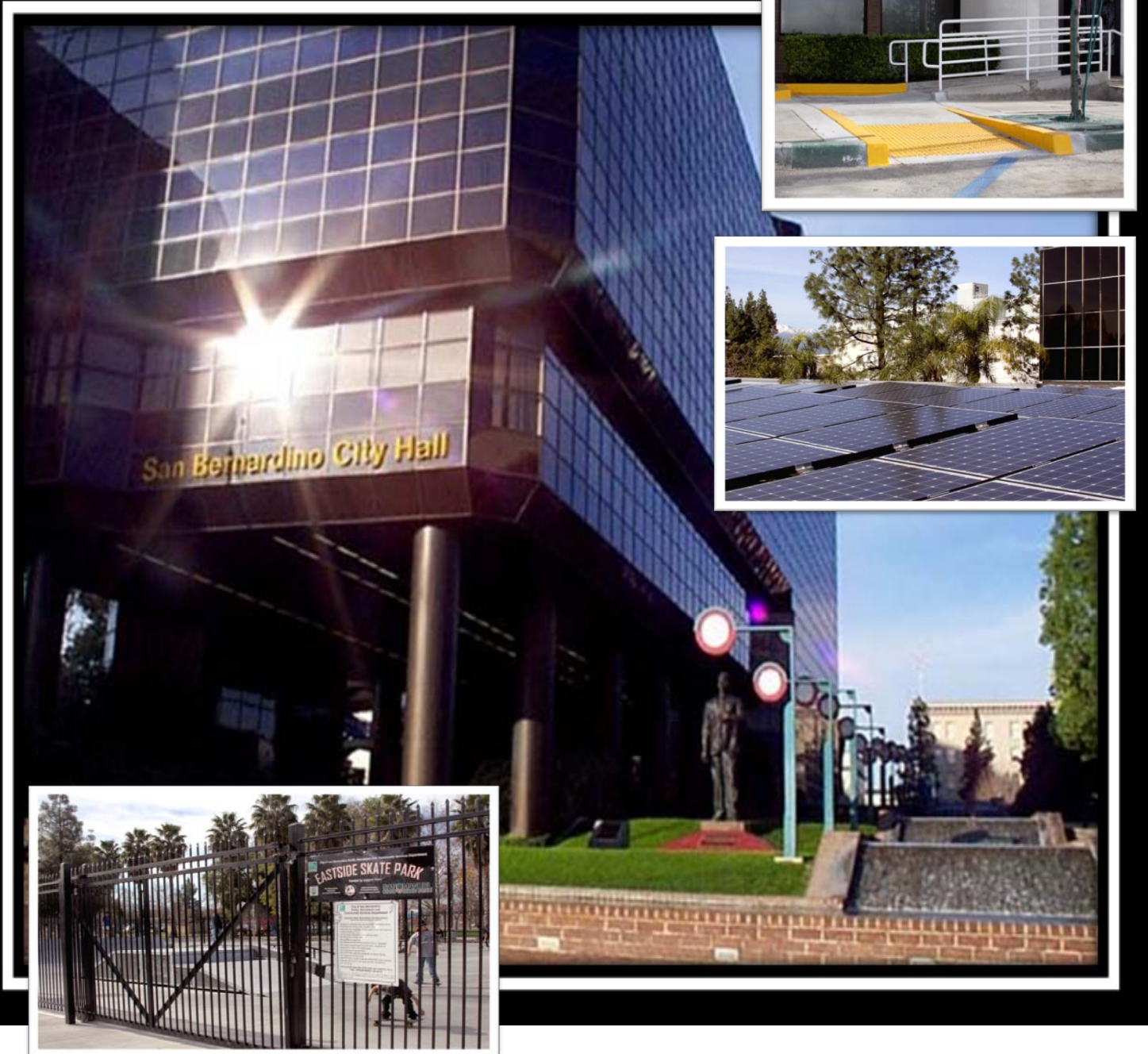




FY2010/2011
CONSOLIDATED ANNUAL PERFORMANCE
AND
EVALUATION REPORT
(CAPER)





NARRATIVE STATEMENT

The Consolidated Annual Performance and Evaluation Report (“CAPER”) is the City’s progress, performance and evaluation report required by the U.S. Department of Housing and Urban Development (“HUD”). The CAPER for Fiscal Year (“FY”) 2010-2011 identifies the level of progress and accomplishments in meeting the priorities (goals) and objectives of the City’s Consolidated Plan over a 12-month period. The 2010-2011 CAPER begins the first of the five year CAPER of the 2010-2015 Consolidated Plan. The quantifiable objectives required by the CAPER reflect information for housing and community development projects that were accomplished in the City of San Bernardino utilizing various funding sources including, but not limited to RDA funds that are administered by the Redevelopment Agency that also administers the City’s federal programs and is responsible for developing and implementing affordable housing, community development, redevelopment and economic development in the City of San Bernardino.

The CAPER covers entitlement programs that the City receives funds from HUD on an annual basis. Federal grant monies came from the following federal programs:

Community Development Block Grant (CDBG) Program		
FY 2010/2011 Funding	Program Income	Total Funding
\$3,891,483	\$104,848	\$3,996,331

HOME Investment Partnership Program		
FY 2010/2011 Funding	Program Income	Total Funding
\$1,698,384	\$503,502	\$2,201,886

Emergency Shelter Grant (ESG) Program		
FY 2010/2011 Funding	Program Income	Total Funding
\$158,237	-0-	\$158,237

Neighborhood Stabilization Program (NSP)		
FY 2010/2011 Funding	Program Income	Total Funding
\$3,277,400	-0-	\$3,277,400

Community Development Block Grant (CDBG-R) Program- Recovery Act		
FY 2010/2011 Funding	Program Income	Total Funding
\$270,809	-0-	\$270,809

Homeless Prevention and Rapid Re-housing Program (HPRP)		
FY 2010/2011 Funding	Program Income	Total Funding
\$1,455,065	-0-	\$1,455,065

American Dream Down Payment Initiative (ADDI)		
FY 2010/2011 Funding	Program Income	Total Funding
\$0	-0-	\$0



In addition, the City's 2010/2011 CAPER will, to the best degree possible, detail the accomplishments and leveraging of private-venture capital resources to the various Housing and Economic Development Projects.

ASSESSMENT OF 2010-2011 GOALS AND OBJECTIVES

■ Housing and Community Development Strategic Plan Objectives

In February 2009, the City identified housing and community development needs. Identified as the most urgent problems facing the City were:

1. Substandard housing conditions - This includes units with physical defects lacking complete kitchens or bathrooms.
2. Cost burden – This includes cost burden to residents exceeding thirty percent (30%) of gross income or severe cost burden exceeding fifty percent (50%) of gross income.
3. Homeownership – The biggest hurdle to homeownership is down payment and closing costs. It is the City's intent to increase the overall ownership rate especially among minority groups and especially low- and moderate-income families.
4. Homeless needs – According to the 2009 San Bernardino County Homeless Census and Survey, it is estimated that 1,736 persons were homeless in the City some time during 2009, out of which 968 persons were classified as unsheltered, 747 lives in emergency/transitional facilities and 21 in motel/hotels.

A bi-annual census is required under the terms of the McKinney-Vento Act so that local Continuums of Care can have reliable data on the homeless population in order to plan comprehensive local solutions to the problem of homelessness. In February 2009, Community Action Partnership of San Bernardino County (CAPSBC) commissioned Applied Survey Research to conduct the second San Bernardino County Homeless Census and Survey. The comprehensive study, conducted with the financial support of eleven cities, the County of San Bernardino and private donors, was a follow-up to the first ever CAPSBC San Bernardino County Homeless Census and Survey, which was released in 2009. Overall, the results of the survey show that homelessness has increased thirty-nine percent (39%) in San Bernardino County since 2007.

Based upon the results of the 2009 San Bernardino County Homeless Census and Survey, CAPSBC believes there are several specific actions that must be undertaken by those parties who are concerned about the issue of Homelessness in our community. Using the existing San Bernardino County Homeless Coalition Continuum of Care as a foundation, policies will set the stage for the next phase in the movement to reduce and eventually eliminate homelessness in San Bernardino County.

HOUSING AND COMMUNITY DEVELOPMENT PRIORITIES

The City of San Bernardino has many important and often, competing housing, community service and economic development needs that must be addressed. In addition to the four (4) "urgent" needs identified above, eight (8) "high-priority" categories have been identified as a "strategic vision" or "long term plan" to address housing and community development needs of the City. These needs are identified, detailed, and explained throughout the 2010-2011 CAPER.



**HIGH PRIORITY #1:
PRESERVATION AND REHABILITATION OF EXISTING SINGLE-FAMILY UNITS**

The City considers its first priority to improve the quality of life for its residents. The preservation and rehabilitation of existing single-family units is ranked as priority #1 as the provision to increase the number of existing single-family homes available to low and moderate income home buyers through activity, i.e., new construction, rehabilitation and homebuyer assistance programs.

In order to assist owner occupied households who may be experiencing any one of a number of housing problems such as, code violations, health & safety issues or costs burden, the City continues to actively research, develop and market a myriad of housing programs that include: single-family low-interest loans and/or grants, owner occupied beautification grants, emergency senior grants, mobile home repair grants, first time home buyer programs, infill housing programs, temporary rental assistance for displaced low-income families and utility assistance for very low-income families and/or individuals.

Throughout the City, preservation and rehabilitation of the existing housing stock is a top priority. The City spearheads proactive Code Enforcement Compliance and provides financial assistance to property owners who cannot afford to maintain or rehabilitate their dwelling units.

CITY OF SAN BERNARDINO HOUSING PROGRAMS

Single-Family Exterior Beautification Grant/Loan Program

The Single-Family Exterior Beautification Grant Program assists homeowners who are occupying their dwellings and whose incomes do not exceed one hundred twenty percent (120%) of median income. The “grant” of up to \$10,000 is for exterior improvements to their Property. Property owners are required to attend a “Preventative Maintenance” class conducted by one of the City’s local non-profit partners, Neighborhood Housing Services of the Inland Empire (NHSIE). During Program Year 2010-2011, a total of 92 households benefited from the Beautification Grant Program and 15 household benefited from the Beautification Loan Program for a total low/moderate housing fund expenditure of \$1,504,555.

Elderly/Special Needs Minor Repair Grant Program (Old Timers Grant)

The Old Timers Foundation, a local non-profit corporation, performs minor and emergency repairs to low-income homeowners (80% and below median income). The repairs do not exceed \$1,000 per house. Requirements for eligibility state that the applicant be a senior aged 60, disabled or a recipient of SSI. During program year 2010-2011, 70 households benefited for a total of \$87,737 in program administration, materials and labor costs. Repairs consisted of plumbing (i.e., sink fixtures); replacing doors, screens, and window glass; and minor electrical repairs. Outreach for the program is conducted at various Senior Centers throughout the City, and by word-of-mouth.

Utility Assistance Program

The Utility Assistance Program assists San Bernardino City households that are at fifty percent (50%) of Area Median Income (AMI) with utility payments. In Program Year 2010-2011, the City assisted 80 families and/or individuals. Total expenditure equaled \$5,811 of low/moderate housing funds.



Mobile Home Grant Program

The Mobile Home Grant Program is for individuals who are 60 years of age or disabled. The Grant is up to \$5,000 and addresses Health and Safety Code issues. A total of 22 individuals were assisted with \$107,319 in low/moderate income housing funds.

“Chart 1” details the “Preservation and Rehabilitation of Existing Single-Family Units” and accomplishments for single-family housing units.

Chart 1							
High Priority #1: Preservation and Rehabilitation of Existing Single-Family Units							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Single Family Exterior Home Beautification Loan/Grant Program	100	107	500	107	L/M	\$1,504,555	\$1,504,555
Elderly/Special Needs Minor Repair Grant Program (Oldtimer’s)	85	70	425	70	L/M	\$87,737	\$87,737
Utility Rebate Program	80	80	400	80	L/M	\$5,811	\$5,811
Lead Base Grant Program	0	0	28	7	L/M County Grant	0	\$114,133
Mobile Home Grant Repair Program	20	22	100	22	L/M	\$123,417	\$123,417

As detailed above, the City fall short of its annual goal of 285 units by 6 units with preservation or eradication of blighted conditions in FY 2010-2011 and expending a total of \$1,721,520 in redevelopment a funds.

HIGH PRIORITY #2:
IMPROVE NEIGHBORHOOD CONDITIONS THROUGH CODE ENFORCEMENT AND ABATEMENT OF DILAPIDATED STRUCTURES

Neighborhood Revitalization Program

The Neighborhood Revitalization Program is an anti-blight, strategy program designed to improve neighborhoods experiencing severe deterioration.

The Code Compliance Department and the Redevelopment Agency work in tandem with the Neighborhood Housing Services of the Inland Empire (NHSIE) in dividing the City into areas based on the City of San Bernardino’s Neighborhood Revitalization areas. The Code Compliance Department’s main office receives calls for code enforcement, which are then forwarded to one of the two case officers assigned to each of the revitalization areas from which the call came. There are currently six areas within the City of San Bernardino that the Code Compliance Department is concentrating their efforts. These areas are as follows:

- Between West 14th Street on the north, West 13th Street on the east, North “K” Street on the west, and I-215 Freeway on the east



- Between West Baseline Street on the north, West 9th Street on the south, Western Avenue on the west, and North Mount Vernon Avenue on the east
- Between 18th Street on the north, 13th Street on the south, North “D” Street on the west, and North Sierra Way on the east
- Between West King Street on the north, West Rialto Avenue on the south, North Mount Vernon Street on the west, and North “K” Street on the east
- Between North Sierra Way on the north and west, West 40th Street on the south, and I-18 Freeway on the east
- Along I-215 Freeway between Lakewood Drive and Little Mountain Drive

The Code Compliance Department enforces codes pertaining to illegal auto dismantling, junk storage, illegal conversions, and graffiti removal. The Department also enforces codes pertaining to health and aesthetic issues such as illegal dumping, the accumulation of garbage, trash, appliances, and car parts, the maintenance of yards, fences, streets, or alleyways, and unsightly or deteriorating buildings and structures. In some cases, if a property is in very poor condition and the required changes are not made, a property may be demolished. Demolition is a last resort that only takes place after many efforts have been made to improve the property, and all have failed.

The Code Compliance Department and NHSIE have helped improve the housing conditions of the City as well as neighborhood revitalization areas of San Bernardino through their efforts to enforce the codes and Health and Safety issues as described.

A partnership amongst the City Attorney’s Office, Code Compliance, Fire Department, and the Police Department has been successful in conducting inspections of dilapidated structures in the City. As a result, the closing of substandard and dangerous housing units has gone forward.

CDBG funds are utilized to pay for Code Compliance officers’ salaries, vehicle maintenance and benefits in eligible CDBG census tract areas. CDBG funding is also used to demolish substandard structures. The Code Compliance Department works in tandem with the Redevelopment Agency relative to demolition of substandard buildings, and stabilizing of neighborhoods.

Chart 2 High Priority #2: Preservation and Rehabilitation of Existing Single-Family Units							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Single Family Exterior Home Beautification Loan/Grant Program	100	107	500	107	L/M	\$1,504,555	\$1,504,555
Elderly/Special Needs Minor Repair Grant Program (Oldtimer’s)	85	70	425	70	L/M	\$123,417	\$123,417
Code Enforcement Program							
Inspections	5,000	13,800	20,000	13,800	CDBG General Fund	1,542,646 1,979,993	\$18,739,746
Demolitions	20	7	100	7			
Abatement	500	101	500	101			
Utility Rebate Program	80	80	400	80	L/M	\$5,811	\$5,811
Lead Base Grant Program	0	0	28	7	L/M County Grant	0	\$114,133
Mobile Home Grant Repair Program	20	22	100	22	L/M	\$123,417	\$123,417



Overall, the City inspected over 13,800 single family units, out of which 3,100 were unfounded complaints with no actions taken, 279 cases remained open without apparent voluntary resolution on the part of owners, 101 cases were abated through warrant activities and 10,320 cases were closed through voluntary compliance by homeowners and 7,400 in rental properties.

HIGH PRIORITY #3:

EXPAND HOMEBUYER OPPORTUNITIES AND ASSIST HOMEBUYERS WITH THE PURCHASE OF AFFORDABLE PERMANENT HOUSING (EXISTING AND NEW CONSTRUCTION)

In the City's 2010-2015 Consolidated Plan, data indicates that most extremely low- and moderate-income families cannot afford a median-priced home in San Bernardino even though housing prices in the City are below regional averages. In addition, many moderate-income families have difficulty saving enough money for a down payment and closing costs to purchase their first home.

The intent of providing opportunities for affordable homeownership is to assist low and moderate households with the ability to move into the mainstream of the home buying market through financial assistance coupled with homebuyer education. The premise, is that homebuyers assisted by the City's Homebuyer Assistance Program have a chance to improve their economic status and eventually, if they desire, to purchase an upscale home.

CITY OF SAN BERNARDINO/REDEVELOPMENT AGENCY HOUSING PROGRAMS

Homebuyer Assistance Program (HAP)

This program is designed to assist qualified first-time homebuyers with the purchase of a home within the City limits. Eligible properties can include condominiums, town homes, and single-family detached homes. The Homebuyer Assistance Program provides up to ten percent (10%) of the purchase price to go towards down payment and closing costs. The homes purchased under this program may be located in any census tract in the City, as long as the dwelling is used as the homebuyer's principal residence and the home remains affordable for a period of not less than forty-five (45) years.

During the 2010-2011 CDBG Program Year, the entire Inland Empire region continues to experience declining property values. According to the California Association of Realtors, the average median sales price in the City of San Bernardino is gradually increasing and the affordability index has increased to sixty-four percent (64 %). This increase in affordability has placed homeownership "in reach" for many first time buyers. The City's HAP Program continues to see a significant increase in the number of homebuyers interested in and taking advantage of the down payment assistance from previous years. The City assisted twenty-six (26) qualified families with the purchase of their first home. Low/Mod Housing Funds expended totaled \$335,370. Total private investment for sale of the twenty-six (26) homes totaled \$3,333,914.

Homebuyer Education and Financial Counseling

The home buying educational component is operated by a local San Bernardino non-profit agency, Neighborhood Housing Services of the Inland Empire (NHSIE), under contract with the Redevelopment Agency and provides financial counseling and homebuyer education to low- and moderate-income households that are embarking on the purchase of a home. The Agency funded \$80,000 of HOME Funds for the provision of homebuyer education. The homebuyer component teaches participating families



about basic household budgeting, household maintenance, saving for major repairs and the importance of the upkeep of the family home. Each potential homebuyer is required to complete 16 hours of home buying education, and provide a certificate to the City as proof of completion. The 16 hours must be completed before any down payment assistance (HAP) is authorized by the Redevelopment Agency. A total of 107 families were educated during the 2010-2011 Program Year with a total \$32,100 in HOME funds expended and private investment of \$800,000 in funds from NHSIE.

Neighborhood Stabilization Program

The City allocated a total of \$3,700,000 in NSP funds for the acquisition and rehabilitation of single-family. The City purchased 47 foreclosed single family properties which have been rehabilitated and sold to income qualified homebuyers.

The City will continue to implement and market programs designed to promote homeownership opportunities. The goal of this effort will be to continue to promote long-term homeownership opportunities, thereby stabilizing neighborhoods and improving low-income communities. During FY 2010-2011, as Chart 3 illustrates, the City’s investment in accomplishing its goals came from both private and public funds.

Chart 3 High Priority #3: Expand Homebuyer Opportunities And Assist Homebuyers With The Purchase Of Affordable Permanent Housing (Existing And New Construction)							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
First Time Homebuyers Single-Family Homes	50	26	250	26	L/M Private	\$335,370 \$3,333,914	\$335,370 \$3,333,914
Homebuyer Education Counseling	300	107	1,500	107	HOME In-Kind	32,100 \$800,000	\$32,100 \$800,000
Neighborhood Stabilization HAP Program	50	47	250	47	NSP L/M	\$3,700,000 \$4,645,782	\$3,700,000 \$4,645,782

**HIGH PRIORITY #4:
PROVIDE RENTAL ASSISTANCE AND PRESERVE EXISTING AFFORDABLE RENTAL HOUSING**

The City of San Bernardino’s rental assistance programs provide additional affordable housing opportunities to very low-income households, taking into account, and consideration that low- and very low-income households and families experience difficult housing problems and therefore have different needs that may require special assistance. During Program Year 2010-2011, the City provided financial assistance to programs that benefited low- and very low-income households.

Rental Assistance Program

The Rental Assistance Program is provided to individuals and/or families who must vacate their substandard and unsafe housing unit. The property owners are required to bring their housing units into compliance and will be inspected for compliance. Under the Rental Assistance Program, the Redevelopment Agency assists the evacuated families with the required first month’s rent and security deposit. The replacement rental unit must be in sound, sanitary, and safe condition and pass a City



inspection. During program year 2010-2011, the Redevelopment Agency assisted both very low and low-income households in obtaining suitable rental housing. A total of \$43,740 in housing funds was expended, benefiting a total of 145 individuals.

HOUSING AUTHORITY OF SAN BERNARDINO COUNTY

The Housing Authority of the County of San Bernardino (HACSB) administers the Housing Choice Voucher and Public Housing programs.

Housing Choice Voucher (HCV) program

This federally funded program provides rental assistance in the form of a Housing Choice Voucher (HCV), to low-income individuals. Subsidy payments are made by the Housing Authority to property owners on behalf of the family. During the 2010-2011 program years, 2,184 participants received HCV rental assistance in the City of San Bernardino expending \$18.9 Million. As of August 2011, there are 22,143 applicants on the HVC waiting list countywide.

Public Housing

The Housing Authority operates 680 units of public housing in the City of San Bernardino. These units were developed with Department of Housing and Urban Development funding and HACSB manages and maintains these units. As of July 2010, there are 25,120 applicants on the waiting list for public housing countywide.

Homeownership Program

During program year 2010-2011, 16 families purchased homes through the Housing Authority's Homeownership Program. Of those purchased, three were located in the City of San Bernardino.

Multi-Unit Rental Senior Projects

The Redevelopment Agency issued mortgage revenue bonds for two (2) senior apartment complexes in 1992 and 1996 (Casa Ramona (44 units) and Highland Lutheran Senior Center (50 units)). The Agency continues to service the annual debt in order to ensure that not less than fifty percent (50%) of the units are set-aside for very low-income seniors. The covenant for each complex remains in effect for thirty (30) years. In Program Year 2010-2011, the Redevelopment Agency paid a total of \$235,611 of Low/Mod funds to ensure payment of bonds.

The City has assisted a total of 1752 units consisting of multi-family, senior housing, and mobile home units assisted with mortgage revenue bond financing or other forms of bond financing. Approximately 340 of these housing units have been set aside for low income families over the next fifteen (15) to fifty-five (55) years. The Agency monitors on a yearly basis to ensure compliance.



Chart 4 High Priority #4: Provide Rental Assistance And Preserve Existing Affordable Rental Housing							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Section 8 Voucher Program (County Housing Authority)	2,636	2,184	5,000	2,184	Section 8 - Federal funds	\$18.9 mill.	\$18.9 mill.
Temporary Rental Assistance	125	0	125	604	LM	0	\$474,389
Mortgage Revenue Bond Apt. Rent Subsidy	0	0	0	340	MRB	0	0
Public Housing (Capital Fund)	30	680	170	680	Public Housing Modernization Grant	\$1,968,239	\$2,889,313
Acquisitions & Rehab of Rental Units	0	0	0	244	HOME L/M	0	\$2,724,212

**HIGH PRIORITY #5:
EXPANSION OF AFFORDABLE HOUSING OPPORTUNITIES THROUGH NEW CONSTRUCTION**

During Program Year 2010-2011, the Redevelopment Agency fostered relationships with private developers for the development of new construction for both market rate and affordable housing projects. The Redevelopment Agency leveraged its resources with private capital in order to develop quality affordable homes for San Bernardino residents. In addition to federal HOME funds, State Redevelopment Law requires that 20% of the tax increment generated from redevelopment project areas be set aside for low- and moderate-income housing programs (“Housing Funds”). The Redevelopment Agency facilitated the development of the following projects totaling \$79,857,620 million in federal, State and private investment.

HOUSING DEVELOPMENT PROJECTS

AHEPA National Housing Corporation (Multi-Unit Senior Housing)

This project is the development of ninety (90) units of senior housing for individuals whose income does not exceed fifty percent (50%) of AMI. Project has been completed. Agency allocated \$840,000 of HOME funds; HUD allocated \$13 million for the construction and operation of facility. Project is 100 % occupied by eligible seniors.

GFC Enterprises – Lynwood Housing Development

GFC Enterprises constructed eighteen (18) single family homes on the eastside of Lynwood Way. The homes has 3 to 4 bedrooms and range between 1,453 and 1,644 in square footage. Three (3) units are made available to income eligible households. Total project budget is \$5.6 million with an Agency contribution of \$370,000 low/mod housing funds. Project is complete and provided 18 affordable units to first-time homebuyer.



Mary's Mercy, Inc. – Veronica's Home (Transitional Housing)

Veronica's Home of Mercy is an existing long-term transitional housing facility for pregnant adult women and their children. The Agency allocated \$600,000 of RDA LMI housing funds for the development of a transitional housing facility. The expanded facility will add twenty (20) units of multi-family affordable rental housing, creating seventy (70) additional beds. Private donations total \$1,101,500. Construction is complete.

A single family home was also acquired and rehabilitated providing transitional units to four single women and children. The Agency provided a total of \$233,378 (\$61,000 in NSP funds and \$172,378 in HOME funds).

MECH Housing

Within the Rental Housing Opportunities Component of the Neighborhood Stabilization Program, 5 four-plexes have been acquired by Mary Erickson Community Housing, Inc., using NSP funds for a total obligation of \$2,542,429. This is equal to a 97% obligation for this program component.

META Housing

Agency successfully acquired 3.5 acres of land at the southwest corner of Highland Avenue and Medical Center Drive for the future development of an 80-unit senior housing complex by Meta Housing, Inc. through a Disposition and Development Agreement (DDA) executed in January 2010. Project is 85% completed.

TELACU La Amistad Senior Housing (Highland/Central Avenues)

The TELACU project consists of a ninety (90) unit senior housing complex of approximately 75,000 square feet. The developer received a HUD Section 202 Grant in the amount of \$12.97 million dollars of which \$12.2 million will be used towards construction costs. The total proposed project budget is \$15.5 million with the Agency contributing \$3.2 million in HOME CHDO funds. Project is completed and occupied by eligible seniors.

TELACU Hacienda Senior Housing (4th and G Streets)

The TELACU developed a new seventy-five (75) unit, three-story, senior housing complex on the northwest corner of 4th and G Street. One unit is the on-site Manager's Unit consisting of 2 bedrooms whereas the remaining seventy-four units will have 1 bedroom, kitchen and bathroom and contain 540 square feet of living space. The developer received a HUD Section 202 Grant in the amount of \$11.9 million dollars of which \$10.7 million will be used towards construction costs. The Agency expended \$4.51 million in low/mod housing funds for the acquisition, relocation and demolition of the site. Project is complete and occupied by eligible seniors.

Chart 5 illustrates the number of units constructed or are pending for FY 2010-2011.



Chart 5 High Priority #5: Expansion Of "Affordable" Housing Opportunities For Low-Income Large Families Primarily Through New Construction				
Project Name	# of Units	# of Affordable Units	Fund Type	Expenditure
AHEPA Senior Housing	90	89	HOME HUD 202 Funds	\$840,000 \$13,000,000
GFC Enterprises	18	3	L/M Private Resources	\$370,000 \$5,600,000
MECH Housing	20	20	NSP L/M Housing Fund	\$2,542,429 \$2,000,000
META Housing	80	80	L/M Housing Fund Private Resources	\$4,000,000 \$13,549,251
St. Bernardino Plaza	150	148	HOME	\$400,000
Telacu La Amistad Senior Housing	90	89	HUD 202 HOME	\$12,970,000 \$3,200,000
Telacu Hacienda Senior Housing	75	74	L/M Housing Fund HUD 202	\$1,200,000 \$15,118,680

HIGH PRIORITY #6:
ELIMINATION IDENTIFIED IMPEDIMENTS TO FAIR HOUSING THROUGH EDUCATION, ENFORCEMENT AND TESTING

AFFIRMATIVELY FURTHER FAIR HOUSING

The impediments to fair housing identified in the 2010 analysis reflected discrimination and housing issues. The overall conclusion was that today's discrimination acts have become deceptive and sophisticated. Since the action is covert rather than overt, only trained professionals can identify and recognize violations of the Fair Housing Act.

The discrimination issues are as follows:

- Lack of understanding of fair housing laws regarding differential treatment.
- Occupancy limitations.
- Lack of tenant screening policy.
- High minority neighborhood and concentration causes low property value.
- Buyer refusal
- Lenders' HMDA data tracking
- Tracking lenders' housing loans

The housing issues are as follows:

- Affordable housing - job/housing relationship.
- Neighborhood safety.
- Neighborhood deterioration.
- Transportation.
- Quality schools.



The City entered into a contract with Inland Fair Housing and Mediation Board (IFHMB) to further fair housing in the City. IFHMB utilized a literature search, surveys, interviews, Home Mortgage Disclosure Act (HMDA) data, and additional information and statistical data from city, county, state and federal departments. The information gathered was on housing discrimination, fair housing knowledge, condition of existing housing and other information that would help housing policy makers to identify problem areas.

Chart 6 illustrates the accomplishments during FY 2010-2011 in Fair Housing efforts:

Chart 6 High Priority #8: Elimination Of Impediments To Fair Housing Through Education, Enforcement And Testing							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Fair Housing/Landlord/Tenant Program	900	3431	4500	3431	CDBG Federal	\$53,000 \$184,319	\$958,348
Education, Training, Public Announcement	5	118	25	118	Private In-Kind	\$272,536	\$466,165
Testing Cases	4	5	20	5	Federal	\$37,905	\$854,415

The City contracted with Inland Fair Housing and Mediation Board to mitigate impediments to fair housing in San Bernardino. The services include educational assistance, outreach and enforcement in the sale and rental of property to City residents, particularly those persons covered by the federally protected classes under Title VIII of the Civil Rights Act of 1968. Education includes persons of adult and high school age, property owners, mobile home park owners/residents, realtors, municipal staff, lenders and staff of classified newspaper ad departments. It included a review of newspapers for discriminatory practices in ads. Outreach was conducted through the mass media of radio, television, newspapers, public appearances and brochure distribution. Enforcement efforts include counseling individuals, accepting complaints, implementing and maintaining a daily “hotline” service and a 24-hour call back “warm line”, and testing for discrimination on the bona fide complaints.

***ANALYSIS OF IMPEDIMENTS (AI) RECOMMENDATIONS AND ACTIONS UNDERTAKEN
IN PROGRAM YEAR 2010/2011***

As a result of the AI conclusions, the City undertook the following activities to remove the impediments identified.

1. Expanding Affordable Housing Opportunities

Action 1:1 The City continued to provide homeownership opportunities in the community by promoting the Homebuyer Assistance Program. The City focused its outreach efforts towards lower income households, particularly to Hispanic and Black households, since they have more difficulty obtaining financing. Specifically, the City provided advertisements and workshops in both English and Spanish to inform residents.

Time Frame: Ongoing



Action 1:2 The City continued to facilitate the development of housing for all income groups within the community. As identified in the Housing Element, San Bernardino’s Regional Housing Need Assessment (RHNA), the City is required to provide 1148 housing units for very-low income households, 676 units for low-income households, and 734 units for moderate income households. To meet this need, the City continues to focus on facilitating affordable housing development through a combination of financial and regulatory assistance to developers.

Time Frame: Ongoing

2. Rehabilitation Assistance

Action 2:1 The City continued to provide rehabilitation assistance for owner-occupied and investor-owned single-family housing in the community. Existing programs include the Mobile Home Repair Grant, Elderly/Special Needs Minor Repair Grant Program, Single Family Beautification Grant Program, and Neighborhood Initiative Program Home Improvement Deferred Loan and Beautification Grant. The City continued to ensure that information about these programs be provided in the City’s brochures, advertisements, and website in both English and Spanish. City also assists owners with the acquisition/rehabilitation of rental housing. City will also continue its code enforcement efforts to improve the conditions of the rental housing stock.

Time Frame: Ongoing

Action 2:2 City continues to ensure that Spanish speaking staff are available to assist residents with resolutions of code enforcement, housing rehabilitation, and other housing services.

Time Frame: Ongoing

3. Public Policies and Programs Affecting Housing Development

Action 3:1 To expand housing opportunities for persons with disabilities, the City may consider adopting formal reasonable accommodations policies and procedures.

Time Frame: Ongoing

4. Access to Financing

Action 4:1 The City will work with local lenders to provide outreach to lower income residents about government-backed financing. The City will encourage local lenders to provide information in both English and Spanish.

Time Frame: Ongoing

Action 4:2 The City will encourage home buying and credit counseling workshops to be held in San Bernardino. These workshops will be held in both English and Spanish.

Time Frame: Workshops Continued on an Annual Basis



Action 4:3 The Fair Housing service provider will continue to monitor complaints regarding unfair lending, and assess lending patterns using the Home Mortgage Disclosure Act Data (HMDA) and other data sources.

Time Frame: Monitor HMDA and other data on an annual basis to identify potential unfair lending practices within San Bernardino.

5. Fair Housing and Outreach

Action 5:1 The City will encourage the fair housing service provider to conduct fair housing workshops for residents, real estate professionals, apartment owners, and property managers. Efforts should be made to expand community participation among single-family homeowners, lenders, property managers, and real estate agents.

Time Frame: Ongoing

Action 5:2 Expand efforts in distributing brochures and placement of advertisements in order to inform the public of the fair housing law and their rights. Provide links to fair housing and other housing resources on the City’s website. Public counters should also prominently display fair housing information.

Time Frame: Ongoing

Action 5:3 The City will continue to work with a qualified fair housing service provider to ensure that an increased number of fair housing testing be performed in the City.

Time Frame: Testing to be conducted periodically.

Action 5:4 Target fair housing education and outreach materials to segments of the population most affected by limited-housing choice. This can include the minority households (particularly Blacks and Hispanics), the disabled, and families with children.

Time Frame: Ongoing

**HIGH PRIORITY #7:
ASSIST HOMELESS AND SPECIAL NEEDS POPULATIONS WITH SUPPORTIVE SERVICES**

Continuum of Care Strategy for the Homeless

The City of San Bernardino recognizes that homelessness is a regional issue that impacts every community in the region. As the largest community in the County, the City also serves as a hub for service providers. The City supports the efforts of this network of agencies in ending homelessness through the Regional Continuum of Care Strategy. The Continuum of Care Strategy involves four (4) key components:

- Homeless Prevention: Provision of preventative services will decrease the number of households and individuals who will become homeless and require emergency shelters and assistance. The City seeks



to prevent homelessness by funding emergency assistance for families and households at-risk of being homeless. Educating residents about available services is a key component in reducing homelessness.

- Homeless Outreach and Needs Assessment: The homeless require a broad spectrum of services from transportation assistance to life skills to childcare to prescriptions. The City works with homeless providers to identify gaps in assistance and fund these identified gaps on an annual basis.
- Emergency Shelter and Transitional Housing: The City provides funds to service providers offering emergency shelter, transitional housing, motel vouchers, food, and a variety of other services which address basic subsistence needs. Based on discussions with homeless advocates and providers, permanent housing and support services are priorities for addressing the immediate needs of the homeless population.
- Homeless Transition Strategy: Providing emergency services without complementary transitional and permanent housing services creates a situation where the homeless remain in San Bernardino for services but are trapped in an emergency housing situation or lack shelter due to inadequate resources for transitional and permanent housing. The City will emphasize services providing transitional and permanent housing assistance through case management, life skills, rental support and job assistance for homeless families and individuals transitioning to permanent housing.

The City uses ESG and CDBG public service grants to assist agencies that provide preventive services, emergency shelters, transitional housing, and supportive services for the homeless and those at-risk of being homeless.

In 2010-2011, the City utilized \$158,237 of Emergency Shelter Grant (ESG) and \$79,000 of Community Development Block Grant (CDBG) monies to fund non-profit agencies that provided homeless assistance, emergency shelter, transitional housing, and homeless prevention services to San Bernardino's homeless and at-risk populations. These programs addressed the needs of individuals living on the streets and families that are ready to make the transition to permanent housing and independent living.

The agencies are as follows:

1. Central City Lutheran Mission (CCLM): This organization provides services for homeless individuals in need of medical treatment and/or counseling. Their clientele are diagnosed with HIV, and are directly in need of medical treatment. CCLM housed 50 individuals in the five houses that the organization owns and manages. In the 2010-2011 program year, CCLM received \$15,599 in ESG funds. These funds assisted with the maintenance of their facilities that houses their clients. A total of 3480 of shelter nights were provided. CCLM's matching grant totaled \$19,575.
2. Frazer Homeless Shelter: This organization provides services for homeless men, many of which are veterans. The shelter can serve sixteen individuals at any time. The minimum stay is one (1) night; the maximum stay is six (6) months. Each person enters into a plan to get them back to work or is assisted in securing permanent benefits, i.e., Social Security, veteran's pension, etc. In the 2010-2011 program year, Frazer received \$12,660 in ESG Funds. Frazer provided a total of 1850 shelter nights for 56 individuals. Frazer's ESG match grant totaled \$46,782.
3. Mary's Mercy Center: This organization provides services for a day shelter that includes showers, laundry facilities meals, clothing, infant emergency needs, bus passes, and emergency food bags.



Counseling services are provided on a weekly basis. In the 2010-2011 program year, Mary's Mercy received \$10,000 in ESG Funds. Mary's Mercy center utilized ESG funds to pay for staff and consumable supplies for the day shelter. A total of 14,386 individuals were served. Mary's Mercy ESG match grant totaled \$125,437. Mary's Mercy Center also operate a total of 49 shelter beds for women and children at various locations in the City.

4. Operation Grace: This organization provides services for transitional housing for homeless women. Operation Grace provides its shelter occupants with a bed, bedding and dresser. A client can stay up to three (3) months and must attend a comprehensive program which assists women in setting goals. In the 2010-2011 program year, Operation Grace received \$7,500 in ESG Funds and utilized funds to pay for operating costs related to its transitional housing. A total of 612 shelter nights were provided to 48 individuals. Operation Grace's ESG match grant totaled \$11,500.
5. Option House, Incorporated: This organization provides a Temporary Crisis Intervention Program. Option House is a family/domestic violence intervention and prevention services agency and can house up to fourteen (14) women and their children for up to 60 days. Residents live in a "home-like" environment and focus on putting their lives back on track. Option House also has a satellite office in the County Courthouse. In the 2010-2011 program year, Option House received \$10,000 in ESG Funds and utilized funds to pay for staff salaries and utility costs related to the shelter. A total of 37,562 shelter nights were provided to 1378 individuals. Option House's ESG match grant totaled \$26,578.
6. Salvation Army: This organization provides an Emergency Shelter that can accommodate seventy-four (74) individuals per day. The City's Police Department, social services and hospitals "refer" or "take" clients to the Salvation Army for emergency shelter. In the 2010-2011 program year, Salvation Army received \$16,796 in ESG Funds and utilized funds to pay for staff salaries and consumable supplies costs related to the shelter. A total of 365 shelter nights were provided to 13,139 individuals. Salvation Army's ESG match grant totaled \$1,298,000.
7. Time for Change Foundation: This organization provides transitional housing for women who are exiting drug rehabilitation programs or exiting from prison. Time for Change also provides services which include full re-entry services to women and their children. In the 2010-2011 program year, Time for Change received \$10,000 in ESG Funds and utilized funds for utilities and consumable supplies. A total of 5,310 shelter nights were provided to 64 individuals. Time for Change's ESG match grant totaled \$52,157.
8. Foothill Aids Project: This organization provides transitional and permanent housing for persons with HIV. Clients are assisted with rents and monthly budget that supports independent living in a stable environment. In the 2010-2011 program year, Foothill Aids Project received \$16,800 in ESG Funds and utilized funds for rental assistance for their clients. A total 64 individuals were assisted. Foothill Aids Project's ESG match grant totaled \$785,703.

These agencies, funded with ESG, CDBG and Private resources provided shelter and supportive services, such as food, employment, transportation, medical, etc., which helped the homeless and/or working poor in the City. These agencies have the following capacity: one hundred ninety-six (196) emergency shelter beds daily and sixty (160) transitional housing beds.

Chart 7 details the City's accomplishments in Program Year 2010-2011.



Chart 7 High Priority #7: Assist the Homeless and Special Needs Persons with Supportive Services							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Shelter Households	60	160	300	160	CDBG/ ESG Private HPRP	\$45,000 \$112,000 \$1,884,523 \$1,455,066	\$3,796,589
Transitional Units	60	196	300	196	CDBG/ Private/ ESG	\$25,000 \$760,000 \$23,989	\$808,989
Battered Women and Children	60	60	300	60	CDBG/ ESG Private	\$15,000 \$20,000 \$125,000	\$160,000
Child Care	100	2916	500	2916	CDBG/ Private	\$40,000	\$399,000

The agencies that received ESG funds also received a total of \$2,769,523 in either monetary or in-kind donations from private benefactors, which were used as “match” funds to meet ESG Program matching requirements.

In addition, the needs of special populations were also met through a CDBG agreement with other nonprofit organizations, i.e., Home of Neighborly Service, Assistance League of San Bernardino, Al-Shifa Free Clinic, and various Child Advocacy programs. In 2010-2011, a total of \$350,000 in CDBG funds was allocated to public service providers who in turn, received \$2,525,968 in private donations and in-kind contributions. Services made available to the homeless and special needs included: childcare, counseling, drug treatment, after-school programs, youth programs, housing referrals, dental screening and educational courses for homeless families and individuals.

NON-HOUSING COMMUNITY OBJECTIVES

The City’s opportunity for expanding its economic base lies with high paying firms that produce goods locally for sale outside the City, or supply services to clients inside of the City.

The City of San Bernardino leverages its local resources with private capital in order to recruit, or lure businesses. The City has identified several non-housing community objectives, and is very committed to expanding economic opportunities for its residents. The City strives to provide a suitable living environment and utilized federal resources (CDBG) funds to encourage the development of economic opportunities principally for persons of low- and moderate-income. Community Development and Economic Development goals include:

1. The elimination of slum and blight.
2. The elimination of conditions detrimental to health, safety, and public welfare.
3. Job creation and job retention opportunities.
4. The expansion and improvement of the quality of community services.
5. Reduction in isolation of income groups within communities and geographical areas.
6. The restoration and preservation of historic, architectural and aesthetic buildings.
7. Alleviation of physical and economic distress.
8. Conservation of the Nation’s scarce energy resources.



The Redevelopment Agency, the economic arm of the City, encourages and creates business opportunities with assistance that includes: financing, land assemblage, development of permit streamlining, and grants to achieve the creation and/or retention of jobs.

In order to assist “start-up businesses” and “small businesses”, the City and the Redevelopment Agency created the Office of Small Business Liaison to help businesses succeed by providing mentoring, fast tract permit processing and providing grants up to \$10,000 for job creation and retention. This program is commonly known as the Business Incentive Grant (BIG) Program. The City also entered into contractual agreements with two (2) non-profit Organizations: Inland Empire Small Business Development Center (IESBDC) to provide mentoring, coaching, training, and financial assistance to business owners, and Small Business Administration Loan Program and National Development Corporation (NDC). A total of three hundred-seven (307) jobs were created or retained by these three (3) programs/agencies.

Through the BIG Program, twelve (12) businesses were assisted with business improvement grants. This program was leveraged with private matching grants from the participating businesses that totaled \$274,846.06. In addition, \$1,203,977 in redevelopment funds was allocated and leveraged with private resources. Charts 9 (a) and (b) details economic development accomplishments funded with CDBG funds.

**HIGH PRIORITY #8:
IMPROVE AND EXPAND COMMUNITY FACILITIES AND INFRASTRUCTURE TO MEET CURRENT AND FUTURE NEEDS**

The City continues its on-going efforts to design, and construct streets and sidewalks needed to improve the infrastructure and prevent the deterioration of the transportation infrastructure in low- and moderate-income neighborhoods. The City also continues its efforts to design and construct storm drains needed to improve the living environment and prevent flooding as well as design and construct ADA accessible ramps, street improvements and traffic signals. In addition, seven (7) blighted structures were demolished in program year 2010-2011. (Refer to Chart 1).

During FY 2010-2011, much of the City’s infrastructure was upgraded with street and sidewalk installations at various locations, storm drain improvements, construction of ADA access and installation of traffic signals. The total amount of funds expended was \$1,633,218 from various sources (Refer to Chart 8).

Chart 8 High Priority #8: Improve and Expand Community Facilities and Infrastructure to Meet Current and Future Needs			
Activity Description	FY 10/11		Cumulative FY 10/2015
	Fund Type	Amount	
ADA Access & Sidewalk Improvements	SR2S/1/2 c CDBG-R	\$1,838,359 \$951,548	\$2,789,907
Bus Stop Beautification Enhancements	Gas Tax, AB2928,	0	\$170,000
General Building - Fueling Station	CMAC, AQMD Refuse, Sewer	0	\$2,141,500
Park Improvements	Prop 40	0	\$109,000



Chart 8			
High Priority #8: Improve and Expand Community Facilities and Infrastructure to Meet Current and Future Needs			
Activity Description	FY 10/11		Cumulative FY 10/2015
	Fund Type	Amount	
Pavement Rehabilitation - Various Locations	St. Infrastructure ED Bank Loan Gas Tax	0	\$4,675,000
Sewer Line Improvements/Maintenance	Sewer Line Construction/Maintenance Funds	\$933,524	\$4,144,932
Sewer Line Relocation Courthouse Arrowhead/2 nd Street	Caltrans RDA	0 \$500,000	\$4,332,700
Storm Drain Construction - Various Locations	Storm Drain Construction Funds Prop 1B	0	\$1,935,423
Street Improvements - Various Locations	Gas Tax	\$622,684	\$7,615,460
Traffic Signal Improvements - Various Locations	St Infrastructure Loan	\$77,010	\$1,208,010
Traffic Signal Installation - Various Locations	Traffic Systems Fees	0	\$1,470,100

HIGH PRIORITY #9:
PROMOTION OF ECONOMIC DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES FOR LOW- AND MODERATE-INCOME HOUSEHOLDS

STRATEGIES FOR INCREASING ECONOMIC DEVELOPMENT

The five-year Consolidated Plan states that it is the City of San Bernardino’s mission to enhance the quality of life for its citizens by attracting and retaining businesses and jobs for the City, eliminating physical and social blight, and developing a balanced of mix quality housing.

The principal tool used by the Agency in its eleven (11) project areas is governed by redevelopment law and consists of Owner Participation Agreements known as OPA’s and Disposition and Development Agreements known as DDA’s. An OPA or a DDA can provide financial assistance to a project over a number of years to be paid out of tax increment that the development will incur. Each one of these agreements is unique to the specific project and intended to redevelop a blighted area. (Some programs offered by other agencies, such as the Inland Empire Small Business Financial Development Corporation (IESBFDC) Loan Guarantee Program, Grow San Bernardino Fund SBA 7 (a) Loan Program, and the Small Business Administration 504 Loan Program offer larger loan amounts for small businesses to expand their businesses or entrepreneurs to start a new business).

As previously stated, the BIG program seeks to restore economic vitality and investment confidence to the City. The program offers financial assistance to business owners and tenants to enhance the curb appeal of their businesses by financing exterior improvements to their business properties. The program also provides grants to help business owners retain their current employment levels. The program offers grants



reimbursements that are not-to-exceed \$10,000. The applicant will be required to match this grant dollar-for-dollar and will be reimbursed at the completion of all pre-approved improvements.

Additional programs offered by the Agency to foster economic growth in the City of San Bernardino are as follows:

Business Utility User’s Tax Rebate Program. This popular program rewards new and expanding businesses who create jobs for City residents, increase sales tax revenues and/or increase property values. The program rebates a percentage of the City’s utility tax levied on electricity, gas, video and telephone communication services to the business over a period of time.

Economic Development Case Management. Assists larger projects that will add a significant number of new jobs or significant number of new jobs or significantly increase tax revenue for the City. EDAT is the best tool for a fast, efficient passage through the City’s Development process.

Chart 9A High Priority #9: Promotion of Economic Development and Employment Opportunities for Low- and Moderate-Income Households “Business Incentive Grant Program”				
Business Address	Jobs		Service Type of Assistance	
	Created	Retained	Business Façade Grant	Matching Grant
Bros. Auto Sales	2	0	\$19,810.00	\$9,905.00
Allstar Kia	0	30	\$23,374.00	\$10,000.00
Westminster Adv Inst.	13	0	\$13,275.85	\$6,637.93
Office Space	4	0	\$17,186.00	\$8,593.00
Chaparral Motorsports	0	3	\$59,157.82	\$24,999.00
Davis Camera	7	4	\$48,890.00	\$24,445.00
Legal Aid Society	0	13	\$50,094.50	\$24,999.00
Mihata Holdings	0	0	\$4,688.87	\$2,344.44
Ho Family	0	2	\$3,173.33	\$1,586.67
Gina's Bargain Thrift	0	4	\$8,878.32	\$4,439.16
A & A Smog & Auto Care	0	1	\$4,244.22	\$2,122.11
Home Gallery Furniture	0	3	\$16,027.00	\$8,013.50
TOTAL	34	90	\$274,846.06	\$114,060.56

Chart 9B High Priority #9: Promotion of Economic Development and Employment Opportunities for Low- and Moderate-Income Households “CDBG Funded Business Organizations”				
Business	Jobs		Funding	
	Created	Retained	CDBG	Private Investment
Small Business Development	49	7	\$20,000	\$447,917
NDC Grow America	0	27	\$50,000	\$642,000



DEVELOPMENT PROJECTS

ARCO AM/PM Convenience Store and Car Wash

On site improvements have been completed and the Tenant has obtained a temporary Certificate of Occupancy. Project is located at 542 North Mt. Vernon Avenue (northwest corner of 5th Street & Mt Vernon Avenue). Eight (8) jobs have been created as a result of this project. Tenant is A & A Holdings, Inc.

In-N-Out Burgers (INOB)

Investigation work of the site has been completed. Soil vapor extraction (SVE) remediation has been completed. A Disposition and Development Agreement with INOB, to include the sale of the land, will take place during FY 11/12. It is estimated that the new facility will be approximately 4,000 square feet. It is estimated that at the completion of the new facility twenty (20) jobs will be retained and thirty (30) new jobs will be created.

Hillwood-Culligan

Construction of 2 million square feet of warehouse/distribution facilities has been completed which comprises six (6) different buildings. Michelin and Dollar Tree are among those that have started operation on the site. All but two (2) buildings are currently occupied. A total of approximately 900 jobs have been created.

La Placita on 2nd Street

The Third Street portion of the project is now completed. Eight (8) new retail operations have moved onto the site which has created approximately 75 jobs in addition the previous 110 jobs created with the opening of Superior Market. One additional pad needs to be built out on the west side of the site

Inland Behavioral and Health Service, Inc

The Agency entered into an Owner Participation Agreement (OPA) with Inland Behavioral and Health Service Inc., to assist with the offsite improvements to its new 28,000 square foot medical clinic. The medical clinic will provide medical, psychological counseling and homeless services to the underserved communities of San Bernardino. This clinic is expected to attract over 350 jobs. Private Investment is \$9.2 million. Agency tax increment invested is \$675,000. Project is complete.

Inland Regional Center

The Inland Regional Center (IRC) provides services to people with developmental disabilities. The California Housing Foundation (CHF) facilitates and augments the delivery of services and programs for IRC. CHF has submitted an application for the acquisition of property located at 1335 Waterman Avenue for the construction of a new 200,000 square foot office facility. Five Hundred (500) jobs will be retained. The Private Investment is \$90 million.



Perris Campus Plaza

The Agency entered into an Owner Participation Agreement with the Inland Valley Development Agency to assist with offsite improvements to the new Perris Campus Plaza located on Tippecanoe and Mill Street. The Complex will consist of three (3) new buildings of 64,800 square feet, 18,000 square feet and 25,000 square feet, respectively, and will be leased to Community Action Partnership of San Bernardino County, the County of San Bernardino Weatherization Department and the San Bernardino County Preschool Services Department. Approximately two hundred (275) jobs will be retained. The Private Investment for the project is \$13,000,000 with the Agency expending \$475,000 in tax increment funding. Project is complete.

Young Electric Sign Company, Inc. (YESCO)

Yesco will be relocating its Ontario facility to 5405 North Industrial Parkway. The relocation will include its manufacturing and installation operations. The move will retain 100 jobs and create 20 new jobs. The private investment is estimated at \$9 million with the Agency expending \$355,000 in tax increment. Project is complete.

Chart 9C High Priority #9: Promotion Of Economic Development And Employment Opportunities For Low- And Moderate-Income Households “Commercial/Retail Development”							
Goal/Activity Description	FY10-11		FY10-2015 Cumulative		Fund Type	Expenditure	
	Goal	Accomplishment	Goal	Accomplishment		FY10-11	FY10-2015
Commercial/Retail	500	207	2500	2,761	Private	\$253,821,684	\$1,997,024,684

Charts9A, 9B, and 9C show that a total of 2803 jobs were created and retained in program year 2010-2011.

AFFORDABLE HOUSING

See High Priority Strategies 1, 2, 3, and 5 discussed in section entitled “Housing and Community Development Strategic Plan Objectives”.

The low- and moderate-income housing needs were addressed through programs such as rehabilitation and mortgage assistance, and acquisition, rehabilitation and resale programs and economic development activities implemented by the Agency. Needs of extremely low- and low-income rental and homeownership were addressed through programs such as the rental assistance, Mobile Home Minor Repair Program, Code Enforcement, Section 8, and Public Housing Authority Units. The Emergency Shelters, Battered Women and Children, and Transitional Housing sites also addressed the needs of extremely low- and low-income residents. The accomplishments under these programs are depicted under the corresponding goals of this Report.

CONTINUUM OF CARE

See section entitled High Priority #7: Assist Homeless and Special Needs Populations with Supportive Services.



OTHER CONSIDERATIONS

The City listed the following considerations in the Five-Year Plan:

- A. Overcoming Barriers to Affordable Housing - The City has pursued a course of action which included: (a) maintaining a dialogue with developers and citizens involved in developing housing projects to assist the City in making the best planning, infrastructure and development decisions; (b) solicit for- and non-profit entities to form housing development and rehabilitation partnerships; and (c) continue to increase public awareness of the need for affordable housing. In addition, the City is aggressively pursuing its economic development strategy to attract and increase the number of technical and managerial level positions.
- B. Anti-Poverty Strategy - The City continued its Small Business Liaison and employment training programs as well as other community development programs. (See Economic Development Strategies discussed previously).
- C. Institutional Structure/Coordination - The City has coordinated with agencies and departments to design and implement such programs as Code Enforcement to remove and eradicate blighted conditions. The City funds public service agencies that provide information and referral to residents. (See ESG Programs for the Homeless). Furthermore, housing programs will assist low- and moderate-income persons to improve their neighborhoods. (See Section on Housing and Community Development Strategies).
- D. Public Housing Resident Initiatives - The City supports the San Bernardino County Housing Authority's effort in providing assistance to 2,184 units of public housing in the City that are occupied by very low-income families who pay no more than 30 percent of their monthly income for rent. (See Housing Section).
- E. Persons with Physical/Developmental Disabilities, Alcohol or Other Drug Addictions, as well as AIDS/HIV and Other Related Diseases - The City utilizes established resources within the City/County and State structure to assist persons with disabilities. The City provides Community Development Block Grant and Emergency Shelter Grant (ESG) funds to the Salvation Army, Inland AIDS, and Central City Lutheran Mission. Those organizations work with homeless individuals who are dual diagnosis with HIV/AIDS or hepatitis "C". Residents are offered a comprehensive supportive service network that includes case management, individual counseling, group counseling, substance abuse counseling, life skills counseling, and a myriad of other social services. The organization also networks with other organizations that include Foothill AIDS Project and San Bernardino County Department of Public Health. The City also funds a suicide crisis intervention program through the Family Service Agency, an outreach-counseling program for drug and gang intervention. Services to the mentally ill and mentally ill homeless, as well as independent living skills are provided by County Department of Behavioral Health.
- F. Suitability of Existing Units for Special Needs Populations - The City supports programs that serve targeted populations, such as Easter Seal Society head injury services and funded activities such as housing rehabilitation that allows owners to make modifications such as access to their homes, kitchen



and bathrooms. Additionally public places have been made accessible by installing elevators, on and off-ramps and restrooms modified for accessibility.

LEVERAGING RESOURCES

There were “other” public and private resources received and used to address needs identified in the Plan. The budgets of the sub recipients reviewed by City staff indicate that additional funding to serve the needs of San Bernardino low/moderate income residents were derived from other sources, which include funding agreements with various County of San Bernardino departments and foundations as follows:

- | | |
|---|--------------------------------|
| 1. Office of Aging | 6. Department of Justice |
| 2. Corporation for National Service | 7. United Way |
| 3. Department of Runaway/Homeless Youth | 8. ROTC |
| 4. County Youth Diversion Fund | 9. Catholic Charities |
| 5. County Probation | 10. Local Fund Raising Efforts |

The agencies funded with the ESG funds were: 1) Frazee, 2) Operation Grace, 3) Option House, 4) Mary’s Mercy Center, 5) Central City Lutheran Mission, 6) Time for Change, and 7) Salvation Army. The Agencies met the Match requirement through utilization of volunteerism, in-kind contributions and funds from other local, state and federal programs. Frazee provided seven (7) transitional beds, Operation Grace provided six (6) transitional beds, Option House provided forty (40) transitional beds, Salvation Army provided one-hundred eight (108) transitional beds, Time for Change provided twelve (12) transitional beds and Central City Lutheran Mission twelve (12) for a total of one hundred eighty five (185). Mary’s Mercy Center food pantry and soup kitchen is funded by federal and private donations. The total ESG funds expended during this program year were \$158,237. This amount was leveraged with \$2,769,523 at a ratio of 1:18.

Additionally, the Redevelopment Agency expended over \$2,795,199 in Redevelopment Housing Funds as HOME Match for the following programs:

- Single-Family Beautification Grant/Loan Program
- Utility Assistance Program
- Rental Assistance (City Relocations)
- Homebuyer’s Assistance Program (HAP)
- Elderly/Special Needs Minor Repair Grant Program

The HOME Match Log is attached (Tab 3).

In FY 2010-2011, the City received approximately \$11,359,732 in CDBG, HOME, NSP, CDBG-R, HPRP and ESG funds. A review of CDBG program income indicates that \$104,848 was received. This program income reported under CDBG was generated from loans and fees, repayment from the rehabilitation of homes, mobile homes and down payment activities and also a one-time float loan payment. In addition, the City received \$503,502 in program income under the HOME Program generated from loan repayments, cancelled loans and fees from the Mortgage Assistance Program.



SECTION 108 AND FLOAT LOANS

North Arden-Guthrie – Retail Shopping Center

The North Arden-Guthrie Retail Project consists of approximately 17 acres containing between 122,000 to 186,000 square feet of which the Agency now owns all of the vacant parcels.

During program year 2010-2011, the Agency finalized the acquisition and demolition of twenty-two (22) four-plexes. A relocation consultant assisted in the relocation of eighty-five (85) people. Currently, the site has been cleared of any remaining trees and street and utility lines have been relocated. Site clearance has been completed.

The proposed development is a retail, restaurant and recreational shopping center. Section 108 funds are being utilized for acquisition, demolition and relocation costs. The sources of funds for this Project include: Home Depot of Delaware Equity/Financing Contribution of \$22 million and \$5 million in resources from the Redevelopment Agency.

Cinemas Star

Renovate and place the 20-Plex cinema back in operation due to the prior operator’s lack of reinvestment and management of the cinema. The sum of \$3.4 million is required for the rehabilitation and upgrades to be provided in a new U.S. Department of Housing and Urban Development HUD Section 108 Loan Guarantee. The current HUD-108 Loan will be paid off from funds received by the new project.

Chart 10 Section 108 And Float Loans				
	Year Issued	Amount	Annual Payment	Balance as of 6/30/11
Cinema Star Section 108	1998/1999	\$3,860,000	\$457,151	\$3,450,000
Section 108 Loan Guarantee (Arden Guthrie Neighborhood Revitalization)	2006	\$7,500,000	\$409,862	\$7,500,000

CITIZEN COMMENTS

The CAPER was available for public review with a 15-day comment period through September 15, 2011. The report was available at City Hall, the Economic Development Agency and the Library.

The Agency did not receive any comments regarding this CAPER.

SELF-EVALUATION

The overall goal of community planning and development programs, included in the Consolidated Plan, is to develop viable, safe communities by providing decent housing, a suitable living environment, and to expand and increase economic opportunities principally for low- and moderate-income persons.



The activities and strategies implemented by the City and Redevelopment Agency are making an impact on identified needs. Housing rehabilitation programs are making an improvement in the City's residential units and revitalizing neighborhoods.

Other indicators, which best define the City/Redevelopment Agency results would be the Homebuyer Assistance Program (HAP) that has enabled and qualified families to become first-time homebuyers to purchase in the City. The Redevelopment Agency provides up to ten percent (10%) down payment assistance that includes closing costs, which has resulted in the creation of new homeownership opportunities.

During the fiscal year the Agency successfully obligated the remainder of its \$3.2 million Neighborhood Stabilization Program (NSP) funds by acquiring 47 residential properties constituting 101 dwelling units. Many of these properties will be rehabilitated and resold to qualified home buyers or rented to households whose incomes do not exceed 50% of AMI. In some cases, selective demolition has also taken place on properties too costly to restore and others that have been a source of significant criminal activity and are otherwise a major blight on the community.

Activities funded under NSP will continue with additional properties being acquired as program income is realized from the sale of the initial round of homes and the lease up of rental units.

In addition, the City/Redevelopment Agency provided resources for comprehensive homebuyer seminars that taught prospective buyers: personal finance strategy, property maintenance, code enforcement, security and neighborhood safety in support of the Housing Programs; in Program Year 2010-2011, three hundred and twenty-six (326) households benefited from this program.

The City will continue its efforts in economic development and the enticement of new businesses that will pay technical and managerial salaries.

The City has made a positive improvement towards initiating and completing capital improvement projects funded by approximately over \$4,923,215 in General Fund and other resources that included: 1/2¢ Sales Tax, Sewer funds, Park Bond funds, Caltrans and Construction funds.

The City assisted the local non-profit agencies with \$350,000 in CDBG and \$158,237 in ESG funds, to provide needed community public services. An additional \$2,769,523 generated by local non-profit agencies through in-kind donations, i.e. cash, food, clothing, and consumables was used to assist very low-income households. Overall, in 2010-2011, the City has implemented programs and activities to meet and exceed its goals and objectives as indicated under each Priority Goal.

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

- A. See the discussion of the high priorities in the Section entitled "Housing and Community Development Needs". This section includes a discussion of the relationship of the use of CDBG funds to the priorities, needs, goals, and specific objectives identified in the Consolidated Plan, including the extent to which CDBG funds were distributed among different categories of housing needs identified in the Consolidated Plan. For maps of distribution of low- to moderate-income residents, and different population groups, along with households and families assisted with housing (CDBG, HOME, and ESG).



- B. There were no changes made to the program objectives, however, funds were reallocated from completed projects and slow moving projects to other activities as evidenced by Tab 2.
- C. The City has consistently carried out the planned actions described in the action plan. As previously stated, the mission of the City is to maintain, improve and develop quality neighborhoods and housing opportunities throughout the City. The City has identified four “needs” and eight priority areas to pursue. The four “needs” are overpayment/cost burden, physical inadequacies/condition, homeownership and homelessness. The City’s strategy is to aggressively utilize federal, state and local funding sources to operate a number of programs to assist households in each of the eight priority areas. (See the discussion regarding CDBG funding in the high priorities.) The City has pursued all resources it indicated it would pursue; provided certifications of consistency with HUD programs, in a fair and impartial manner, for which the City said it would support application by other entities; and did not hinder Consolidated Plan implementation, by action or willful action.
- D. The City’s fund has been used exclusively for the three national objectives.
- E. No activities specified for the program year involved acquisition, rehabilitation or demolition of occupied real property.
- F. During the program year, the economic development activities undertaken, created and retained jobs for low- or moderate-income persons.
- G. During the program year, all activities undertaken, met one of the categories of limited clientele or low- and moderate-income benefit.
- H. Activities that generated program income are discussed in “Leveraging Resources” section. The Financial Summary Report of expenditure is reflected in IDIS Report CO4PR26.
- I. For Housing Rehabilitation and Homeownership Programs completed during the year, see “Housing and Community Development Needs” section.

THE HOME PROGRAM

HOME funds were distributed amongst different categories of housing needs identified in the approved Consolidated Plan. For a summary of the projects and amounts funded by HOME, see IDIS Report. The HOME Match Report HUD 4107-A (Tab 4) is attached for Program Year July 1, 2010 through June 30, 2011.

THE EMERGENCY SHELTER GRANT (ESG) PROGRAM

During FY 2010-2011, the City utilized \$155,989 in ESG funds to fund non-profit agencies to provide a variety of homeless service activities. The agencies are Salvation Army; Central City Lutheran Mission; Frazee Community Center; Mary’s Mercy Center; Operation Grace; Time for Change Foundation; Foothill Aids Project and Option House, Inc. The services provided included, essential services (food provisions, transportation, employment, medical, etc.), homeless prevention, operations and transitional housing. These agencies had shown that they have the ability to provide the delivery of high quality services, satisfy the HUD ESG Matching fund requirements (dollar to dollar), and address identified community “needs”.



A description of the extent to which activities supported directly with ESG funds addressed homeless and homeless prevention goals, objectives, and priorities established in the Consolidated Plan is discussed in High Priority #7 and in the Continuum of Care sections.

The sources of funds used to meet the match requirements of the ESG Program are discussed in High Priority #7. The types of funds used to meet the match requirements totaled \$1,469,523 in cash, in-kind donations, and donated hourly labor.

PUBLIC PARTICIPATION REQUIREMENTS

The City has followed the public participation requirements established by HUD. Public Notice was published in The San Bernardino County Sun Newspaper on August 26 and September 9, 2011 (Tab 2). The Notice also informed the general public to review and provide oral or written comments to the City. The 2010-2011 CAPER report containing all IDIS and financial reports, and other data (i.e., maps and tables) required by HUD was made available to the public during the fifteen-day comment period. Draft copies of the CAPER were placed at the local library, City Hall Public Information Counter and the Redevelopment Agency for review and comment.

During the Program Year, the following amendments to the Action Plan were made:

- On January 14, 2011, \$3.3 million in Neighborhood Stabilization 3 Funds was allocated from to the Housing Opportunities for Households; and, to the Acquisition and Demolition for Future Development (\$400,000) categories under the Neighborhood Stabilization Program.

Adequate public notice and comment periods were provided. There were no oral or written comments received at or prior to the public hearing meetings.

COMMUNITY DEVELOPMENT CITIZEN ADVISORY COMMITTEE (CDCAC)

The CDCAC is an advisory committee to the Mayor and Common Council comprised of local residents. This Committee oversees matters relating to the programs/projects associated with the Plan. The CDCAC responsibilities include the following:

1. Scheduling public hearings on housing and community development needs and program performance;
2. Assisting in the identification of community needs, priorities and strategies;
3. Receiving and reviewing citizens' comments on housing and community development program progress and performance;
4. Receiving and reviewing housing and community development project proposals for specific funding to include Community Development Block Grant and other federally funded projects;
5. Preparing specific funding and program recommendations to the Mayor and Common council on the use of grant funds;
6. Assisting and evaluating ongoing housing and community development program activities;



7. Reviewing and preparing recommendations to the Mayor and Common Council on all proposed program amendments, as necessary; and
8. Receiving and answering citizens' complaints regarding housing and community development activities.

In addition to the responsibilities listed above the CDCAC acts as liaison between the community and the City. Therefore, the CDCAC is also responsible for meeting with citizen groups, which represent residents impacted by community development, and housing activities, providing technical assistance to citizen groups when requested, and keeping the general community informed on housing and community development matters of importance.

TABLE I

***Accomplishments by Activity/Program, Households,
Income Categories and Ethnicity***

TABLE II

Fair Housing Information and Accomplishments

TABLE III

CDBG Financial Summary

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PUBLIC NOTICE CITIZEN PARTICIPATION

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HOME MATCH REPORT

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AFFIRMATIVE MARKETING ACTIONS

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