



***City of Ontario  
First Amendment to the Fiscal Year 2010-2011 One Year Action Plan  
Neighborhood Stabilization Program 3 (NSP3)  
February 7, 2011***

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## ***BACKGROUND***

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On October 19, 2010, HUD released the NSP3 Notice with the requirements for the new allocation of NSP funds that were authorized in the Dodd-Frank Wall Street Reform and Consumer Protection Act. The City of Ontario was provided an allocation of \$1,872,853 of NSP3 funds. This First Amendment to the Fiscal Year 2010-2011 One-Year Action Plan is required pursuant to the NSP3 regulations.

## ***NSP3 GRANTEE INFORMATION***

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<b>NSP3 Program Administrator Contact Information</b>	
Name (Last, First)	Gonzalez, Katryna
Email Address	<a href="mailto:kgonzalez@ci.ontario.ca.us">kgonzalez@ci.ontario.ca.us</a>
Phone Number	(909) 395-2322
Mailing Address	208 W. Emporia St., Ontario, CA 91762

## ***AREAS OF GREATEST NEED***

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### **Map Submission**

The map generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website and the NSP3 Planning Data report for the target neighborhood is included as Attachment B.

### **Data Sources Used to Determine Areas of Greatest Need**

#### **Describe the data sources used to determine the areas of greatest need.**

The Begonia-D Street neighborhood is the current target area where NSP1 funds have been utilized to acquire and rehabilitate multi-family residential properties. The City is very familiar with this target area and has used this knowledge to evaluate the need of this neighborhood.

The Vine-D Street neighborhood is part of the Downtown Core Catalyst Project Area. The City of Ontario has been selected by the State of California as a Catalyst Community. The properties within the Vine-D Street neighborhood are primarily single-family residential properties. The catalyst funds could work in cooperation with NSP3 funds to assist qualified homebuyers purchase eligible properties within this neighborhood.

The South Euclid neighborhood is another neighborhood familiar to the City. There are a number of vacant lots ideal for infill development in this neighborhood. Euclid Avenue is a major corridor and the impacts made by new development in this neighborhood would be very visible.

The City of Ontario utilized data from HUD indicating that the neighborhoods have an NSP3 score of 20, 19, and 19.46, respectively. The City evaluated the properties currently in foreclosure or with foreclosure starts in the target neighborhoods.

## Determination of Areas of Greatest Need and Applicable Tiers

**Describe how the areas of greatest need were established and whether a tiered approach is being utilized to determine the distribution of funding.**

As stated above, the City of Ontario has utilized its NSP1 program funds in the Begonia-D Street neighborhood to acquire and rehabilitate a total of 16 units of multi-family residential property. This neighborhood has a NSP3 score of 20. Approximately 20% of the housing units in this neighborhood are 90 days or more delinquent in mortgage payments or are in the foreclosure process. In addition, 29.6% of the housing units received a high cost mortgage between 2004 and 2007. It is expected that several other multi-family properties in this area will be foreclosed upon in the near future. The City recognizes the ability to have a significant impact on this neighborhood by continuing the project in this area and creating additional needed affordable rental housing.

Similarly by pairing NSP3 funds with the Catalyst Community funds and opportunities for infill development in a highly visible area, the NSP3 funds will have the largest possible impact on these neighborhoods. The Vine-D Street neighborhood has a NSP3 score of 19, delinquent status on 19.5% of the housing units and 26% of the units have a high cost mortgage. The South Euclid neighborhood has a NSP3 score of 19.46, delinquent status on 20.52% of the housing units and 29.04% of the units have a high cost mortgage.

## ***DEFINITIONS AND DESCRIPTIONS***

### Definitions

Term	Definition
Blighted Structure	The City of Ontario uses the State of California's definition of blight as found in California Health and Safety Code Section 33031 and the Uniform Code for the Abatement of Dangerous Buildings Section 302 which are attached in Attachment C.
Affordable Rents	Affordable rents for any NSP-funded rental activity will be defined as follows: <ul style="list-style-type: none"> <li>• Very Low-Income (50% of AMI) – The tenant's portion of the affordable housing cost for very low-income households will not exceed the product of 30% times 50% of the area median income adjusted for family size appropriate for the size of the assisted unit.</li> <li>• Low-Income (80% of AMI) – The tenant's portion of the affordable housing cost for low-income households will not exceed the lower of either the Fair Market Rent (FMR) or the 65% Rent Limit as published by HUD annually appropriate for the size of the assisted unit.</li> <li>• Middle Income (120% of AMI) – Affordable housing cost for a middle-income household is the product of 30% time 110% of the area median income adjusted for family size appropriate for the size of the assisted unit.</li> </ul>

## Descriptions

Term	Definition
Long-Term Affordability	<p>Long-Term affordability will be ensured for the entire period of affordability through monitoring, following the specific HOME monitoring requirements as defined in 24 CFR Part 92. The City will conduct on-site inspections of multi-family residential projects containing one to four units assisted with NSP funds once every three years and will conduct on-site inspections of projects containing five to twenty-five housing units once every two years. Project containing six or more units will be inspected annually. In addition to on-site inspections for multi-family residential projects, project files will be reviewed annually for compliance with affordability requirements.</p> <p>Multi-family residential properties assisted with NSP funds will have long-term regulatory agreements recorded against the property to ensure that rents remain affordable to households at or below 50%, 80%, or 120% of AMI.</p>
Housing Rehabilitation Standards	<p>The City of Ontario uses its Municipal Code and related codes, including the Uniform Housing Code (UHC) as adopted by the Ontario Municipal Code, to define Housing Rehabilitation Standards. All properties rehabilitated with NSP funds will meet the standards established in UHC Chapter 10. UHC Chapter 10 is included in Appendix D for reference.</p> <p>In addition to these standards, a lead-based paint inspection report may be required of any home built prior to 1978. Reduction of lead-based paint hazards will be performed for any properties receiving rehabilitation assistance of less than \$25,000 per unit and abatement of lead-based paint hazards will be performed for any properties receiving substantial rehabilitation in excess of \$25,000 per unit.</p> <p>Removal of any materials identified as containing asbestos, if necessary, will be included as part of the property rehabilitation.</p> <p>The City of Ontario may include improvements for energy efficiency or conservation and/or renewable energy sources as part of the rehabilitation of residential properties assisted with NSP funds.</p>
Rental Housing Preference	<p>The City of Ontario is proposing to use a significant portion of its NSP3 allocation for the acquisition and/or rehabilitation of multi-family properties. These properties will be used for long-term affordable rental housing units. In addition, the City is also proposing to use NSP3 funds to acquire vacant, abandoned, and/or foreclosed land for future development of affordable rental housing projects.</p>
Vicinity Hiring Requirement	<p>The City of Ontario will ensure that all construction contracts awarded with NSP3 funds include language regarding Section 3 and NSP3 vicinity hiring requirements and will monitor those contracts for compliance with these regulations.</p>

## ***HOUSING MARKET CONDITIONS***

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### **Local Housing Market Conditions**

**Identify how the program design will address the local housing marking conditions.**

The City of Ontario has designed a program to primarily address the multi-family residential property component of the local housing market. Based on past experience with the local foreclosure market, it has been found that the single-family foreclosures are being addressed by the private market. Most single-family foreclosed homes are on the market for a short period of time and there is competition for the acquisition of these properties. However, it has been noted, particularly in the Begonia-D Street that the multi-family foreclosures are remaining vacant and abandoned for a longer period of time resulting in deteriorating conditions for the surrounding neighborhoods. The City's programs have been designed with these observations in mind resulting in a focus on multi-family or vacant properties for acquisition and a small component for financial assistance for homebuyers in the single-family residential market.

## ***LOW-INCOME TARGETING***

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### **Low-Income Set Aside Amount**

**Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.**

Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$468,213.25

### **Meeting Low-Income Target**

**Provide a summary that describes the manner in which the low-income targeting goals will be met.**

The City of Ontario will meet its low-income targeting goal by acquiring and rehabilitating or constructing multi-family residential housing units that are restricted to rent for individuals and households at or below 50% of area median income.

## ***ACQUISITION AND RELOCATION***

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### **Demolition or Conversion of LMI Units**

Does the grantee intend to demolish or convert and low- and moderate-income dwelling units (i.e.,  $\leq 80\%$  of area median income)?

No

If yes, fill in the table below.

<b>Question</b>	<b>Number of Units</b>
The number of low- and moderate-income dwelling units—i.e., $\leq 80\%$ of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.	N/A

The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).	N/A
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	N/A

## ***PUBLIC COMMENT***

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### **Citizen Participation Plan**

**Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment.**

The draft NSP3 Substantial Amendment was advertised in the Inland Valley Daily Bulletin on January 31, 2011 announcing the public comment period between January 31, 2011 and February 15, 2011. The draft NSP3 Substantial Amendment was available for public review at the Ovitt Family Community Library, Ontario City Hall Records Management Department, City of Ontario Housing Agency, and on the City's website at [www.ci.ontario.ca.us](http://www.ci.ontario.ca.us).

### **Summary of Public Comments Received**

The summary of public comments received is included as Attachment E.

## ***NSP INFORMATION BY ACTIVITY***

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Each activity and corresponding information is shown on the following pages.

<b>Activity Number 1</b>		
<b>Activity Name</b>	Multi-Family Residential Acquisition and/or Rehabilitation	
<b>Uses</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input checked="" type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	Acquisition – 24 CFR 570.201 (a); and Rehabilitation – 24 CFR 570.202	
<b>National Objective</b>	The activity meets the CDBG national objective by benefiting low, moderate, and middle income persons (at or below 120% area median incomes).	
<b>Activity Description</b>	This activity will include the acquisition and/or rehabilitation of foreclosed or abandoned multi-family residential properties located within the target neighborhood. Properties will be acquired and/or rehabilitated by the Ontario Housing Authority or its development partners, as established by a development agreement. Tenants will be restricted to at or below one of three income levels, below 50% of AMI, 51% to 80% of AMI, or 81% to 120% of AMI.	
<b>Location Description</b>	This activity will take place in the Begonia-D Street neighborhood.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$ 650,000
	Local redevelopment funds	\$ 811,149
	HOME funds	\$ 800,746
<b>Total Budget for Activity</b>	<b>\$ 2,261,895</b>	
<b>Performance Measures</b>	This activity is measured by the number of affordable housing units made available. It is anticipated that approximately sixteen (16) housing units will be produced under this activity.	
<b>Projected Start Date</b>	March 1, 2011	
<b>Projected End Date</b>	February 28, 2013	
<b>Responsible Organization</b>	<b>Name</b>	City of Ontario
	<b>Location</b>	208 W. Emporia St., Ontario, CA 91762
	<b>Administrator Contact Info</b>	(909) 395-2322 <a href="mailto:kgonzalez@ci.ontario.ca.us">kgonzalez@ci.ontario.ca.us</a>
<b>Specific Activity Requirements</b>	<b>Tenure of Beneficiaries</b> – This activity would serve tenants in rental housing <b>Continued Affordability</b> – This activity will provide for 55 years of affordability	

<b>Activity Number 2</b>		
<b>Activity Name</b>	Land Banking	
<b>Uses</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input checked="" type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	Acquisition – 24 CFR 570.201 (a) Disposition – 24 CFR 570.201 (b)	
<b>National Objective</b>	The activity meets the CDBG national objective by benefiting low, moderate, and middle income persons (at or below 120% area median incomes).	
<b>Activity Description</b>	This activity would include the acquisition of foreclosed or abandoned blighted homes and/or residential properties and/or those properties which have lost their legal non-conforming use status due to vacancy beyond the legislated limits. Land acquired under this activity would held for suitable redevelopment. It is planned that 100% of the units developed upon land acquired under this activity would be provided for households at or below 50% of AMI.  This activity will be used to meet the low income housing requirement for those below 50% of AMI.	
<b>Location Description</b>	This activity will take place in the Begonia-D Street neighborhood.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$ 835,568
<b>Total Budget for Activity</b>		<b>\$ 835,568</b>
<b>Performance Measures</b>	This activity is measured by the number of properties acquired. It is anticipated that approximately one (1) property would be acquired.	
<b>Projected Start Date</b>	March 1, 2011	
<b>Projected End Date</b>	February 28, 2013	
<b>Responsible Organization</b>	<b>Name</b>	City of Ontario
	<b>Location</b>	208 W. Emporia St., Ontario, CA 91762
	<b>Administrator Contact Info</b>	(909) 395-2322 kgonzalez@ci.ontario.ca.us

<b>Activity Number 3</b>		
<b>Activity Name</b>	Downpayment Assistance Program	
<b>Uses</b>	Select all that apply: <input checked="" type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	Direct Homeownership Assistance – 24 CFR 570.201 (n)	
<b>National Objective</b>	The activity meets the CDBG national objective by benefiting low, moderate, and middle income persons (at or below 120% area median incomes).	
<b>Activity Description</b>	This activity will provide downpayment assistance to qualified homebuyers to purchase eligible properties.	
<b>Location Description</b>	This activity will take place in the Vine-D Street neighborhood.	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$ 200,000
<b>Total Budget for Activity</b>	<b>\$ 200,000</b>	
<b>Performance Measures</b>	This activity is measured by the number of homebuyers assisted. It is anticipated that four (4) homebuyers would be assisted.	
<b>Projected Start Date</b>	March 1, 2011	
<b>Projected End Date</b>	February 28, 2013	
<b>Responsible Organization</b>	<b>Name</b>	City of Ontario
	<b>Location</b>	208 W. Emporia St., Ontario, CA 91762
	<b>Administrator Contact Info</b>	(909) 395-2322 <a href="mailto:kgonzalez@ci.ontario.ca.us">kgonzalez@ci.ontario.ca.us</a>
<b>Specific Activity Requirements</b>	<p><b>Range of Interest Rates</b> – The loans would be provided at zero interest.</p> <p><b>Term of Assistance</b> – The loans would be for 30 years and payments would be deferred.</p> <p><b>Tenure of Beneficiaries</b> – This activity provides assistance to homebuyers</p> <p><b>Continued Affordability</b> – The loans would include recapture provisions if the home is sold within the initial term. Recaptured funds would be used for other NSP3-eligible activities.</p>	

Activity Number 4		
<b>Activity Name</b>	Administration	
<b>Uses</b>	Select all that apply: <input type="checkbox"/> Eligible Use A: Financing Mechanisms <input type="checkbox"/> Eligible Use B: Acquisition and Rehabilitation <input type="checkbox"/> Eligible Use C: Land Banking <input type="checkbox"/> Eligible Use D: Demolition <input type="checkbox"/> Eligible Use E: Redevelopment	
<b>CDBG Activity or Activities</b>	Administration	
<b>National Objective</b>	N/A	
<b>Activity Description</b>	This activity will include the administration of NSP3 grants and programs.	
<b>Location Description</b>	N/A	
<b>Budget</b>	<b>Source of Funding</b>	<b>Dollar Amount</b>
	NSP3	\$ 187,285
<b>Total Budget for Activity</b>		\$ 187,285
<b>Performance Measures</b>	N/A	
<b>Projected Start Date</b>	March 1, 2011	
<b>Projected End Date</b>	February 28, 2013	
<b>Responsible Organization</b>	<b>Name</b>	City of Ontario
	<b>Location</b>	208 W. Emporia St., Ontario, CA 91762
	<b>Administrator Contact Info</b>	(909) 395-2322 kgonzalez@ci.ontario.ca.us

## ***CERTIFICATIONS***

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### **Certifications for State and Entitlement Communities**

- (1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.
- (2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.
- (3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- (4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
- (5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.
- (6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.
- (7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.
- (9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

- a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and
- b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

- a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
- b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract

with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

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

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Chris Hughes, City Manager

Date

DRAFT

Attachment A

First Amendment to the Fiscal Year 2010-2011 One Year Action Plan  
Neighborhood Stabilization Program 3 (NSP3)

NSP 3 Substantial Amendment/Abbreviated Plan Checklist

Jurisdiction: City of Ontario  
Lead Agency: City of Ontario  
Jurisdiction Web Address: www.ci.ontario.ca.us

NSP Contact Person: Katryna Gonzalez  
Address: 208 W. Emporia St., Ontario, CA 91762  
Telephone: (909) 395-2322  
Fax: (909) 395-2288  
Email: kgonzalez@ci.ontario.ca.us

The required elements in the substantial amendment/abbreviated action plan are:

**A. Areas of Greatest Need**

Does the submission identify a neighborhood or neighborhoods as being areas of greatest need with an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the 20<sup>th</sup> percentile most needy score in an individual state? See <http://www.hud.gov/nsp> for minimum thresholds.

Yes  No

Verification found on page: Page 1

**Comments:**

**B. Distribution and Use of Funds**

Does the submission contain a narrative describing how the distribution and uses of the grantee's NSP3 funds will meet the requirements of Section 2301(c)(2) of HERA, as amended by the Recovery Act and the Dodd-Frank Act, that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures?

Yes  No

Verification found on page: Page 2

**Note:** The grantee's narrative must address the three stipulated need categories in the NSP statute, but the grantee may also consider other need categories.

**Comments:**

### C. Definitions and Descriptions

For the purposes of the NSP3, do the narratives include:

- a definition of “blighted structure” in the context of state or local law  
Yes  No  Verification found on page: Page 2
- a definition of “affordable rents”  
Yes  No  Verification found on page: Page 2
- a description of how the grantee will ensure continued affordability for NSP3 assisted housing  
Yes  No  Verification found on page: Page 3
- a description of housing rehabilitation standards that provide for improvements to increase energy efficiency or conservation of such homes and properties or to provide for a renewable energy source or sources on homes or properties that will apply to NSP3-assisted activities (including applicable Energy Star requirements)  
Yes  No  Verification found on page: Page 3
- a description of how the grantee will comply with rental housing preference  
Yes  No  Verification found on page: Page 3
- a description of how the grantee will meet the vicinity hiring requirement  
Yes  No  Verification found on page: Page 3

**Comments:**

### D. Housing Market Conditions

Does the action plan narrative should specifically address how the grantee’s program design will address the local housing market conditions?

- Yes  No  Verification found on page: Page 4

**Comments:**

### E. Information By Activity

Does the submission contain information by activity describing how the grantee will use the funds, identifying:

- eligible use of funds under NSP3?  
Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- correlated eligible activity under CDBG?  
Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- the areas of greatest need addressed by the activity or activities?  
Yes  No  Verification found on page: Pages 6, 7, 8, and 9

- expected benefit to income-qualified persons or households or areas?  
 Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- appropriate performance measures for the activity?  
 Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- amount of funds budgeted for the activity?  
 Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- the name, location and contact information for the entity that will carry out the activity  
 Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- expected start and end dates of the activity?  
 Yes  No  Verification found on page: Pages 6, 7, 8, and 9
- how the grantee shall, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity of NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of such project, including information on existing local ordinances that address these requirements?  
 Yes  No  Verification found on page: Page 3
- the procedures used to create preferences for the development of affordable rental housing developed with NSP3 funds?  
 Yes  No  Verification found on page: Page 3

**Comments:**

**F. Specific Activity Requirements**

Does each activity narrative describe the general terms under which assistance will be provided, including:

If the activity provides financing,

- the range of interest rates (if any)  
 Yes  No  Verification found on page: Page 8

If the activity provides housing,

- duration or term of assistance?  
 Yes  No  Verification found on page: Page 8
- tenure of beneficiaries (e.g., rental or homeownership)?  
 Yes  No  Verification found on page: Pages 6 and 8
- does it ensure continued affordability?  
 Yes  No  Verification found on page: Pages 6 and 8

- does the applicant indicate which activities will count toward the statutory requirement that at least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes  No

Verification found on page: Page 7

**Comments:**

**G. Low-Income Targeting**

Has the grantee described how it will meet the statutory requirement that at least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50% of area median income?

Yes  No

Verification found on page: Page 4

Has the grantee identified how the estimated amount of funds appropriated or otherwise made available will be used for housing individuals or families whose incomes do not exceed 50% of area median income?

Yes  No

Verification found on page: Page 4

Amount budgeted: \$468,213.25

**Comments:**

**H. Demolition or Conversion of Low- And Moderate-Income Units**

Does grantee plan to demolish or convert any low- and moderate-income dwelling units?

Yes  No

Verification found on page: Page 4

Does the substantial amendment include:

- The number of low- and moderate-income dwelling units—i.e., ≤ 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities?  
Yes  No  N/A  Verification found on page:
- The number of NSP3 affordable housing units made available to low-, moderate-, and middle-income households—i.e., ≤ 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP3 activity providing such housing (including a proposed time schedule for commencement and completion)?  
Yes  No  N/A  Verification found on page:
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income?  
Yes  No  N/A  Verification found on page:

**Comments:**

**I. Public Comment Period**

Was the proposed action plan amendment published via the grantee jurisdiction’s usual methods and on the Internet for no less than 15 calendar days of public comment?

Yes  No

Verification found on page: Page 5 and Attachment F

Is there a summary of citizen comments included in the final amendment?

Yes  No

Verification found on page: Attachment E

**J. Website Publication**

The following documents are available on the grantee’s website:

- Proposed NSP3 Substantial Amendment Yes  No
- Final NSP3 Substantial Amendment Yes  No
- Subsequent NSP3 Amendments Yes  No  N/A

Website URL: <http://www.ci.ontario.ca.us/index.cfm/61624>

**K. SF424**

Does the application contain the SF424 form?

Yes  No

**L. Certifications**

(Note: Make sure grantee signs the correct certifications; non-entitlement local governments have to sign a different set of certifications)

**Certifications for Entitlement Communities and States:**

The following certifications are complete and accurate:

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| (1) Affirmatively Furthering Fair Housing                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-Displacement and Relocation Plan                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (3) Anti-Lobbying   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (4) Authority of Jurisdiction                               | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (5) Consistency with Plan                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (6) Acquisition and Relocation                              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (8) Citizen Participation                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (9) Following a Plan  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of Funds   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (11) a. Use NSP Funds ≤ 120 of AMI                          | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b. No Recovery of Capital Costs through Special Assessments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (12) Excessive Force  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with Anti-Discrimination Laws               | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with Lead-Based Paint Procedures            | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with Laws                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

**Certifications for Non-Entitlement Communities:**

The following certifications are complete and accurate:

- |   |                              |                             |   |
|---|------------------------------|-----------------------------|---|
| (1) Affirmatively Furthering Fair Housing                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (2) Anti-Displacement and Relocation Plan                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (3) Anti-Lobbying   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (4) Authority of Jurisdiction                               | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (5) Consistency with Plan                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (6) Acquisition and Relocation                              | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (7) Section 3   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (8) Citizen Participation                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (9) Use of Funds  | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (10) a. Use NSP Funds ≤ 120 of AMI                          | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| b. No Recovery of Capital Costs through Special Assessments | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (11) Excessive Force  | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (12) Compliance with Anti-Discrimination Laws               | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (13) Compliance with Lead-Based Paint Procedures            | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| (14) Compliance with Laws                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

**Substantially Complete**

Is the amendment substantially incomplete?

Yes  No

If the amendment is substantially incomplete, set for the basis of that determination by using the following as a guide:

- The amendment was developed without the requires citizen participation.
- The amendment fails to satisfy all of the required elements in the Notice.

**Comments:**

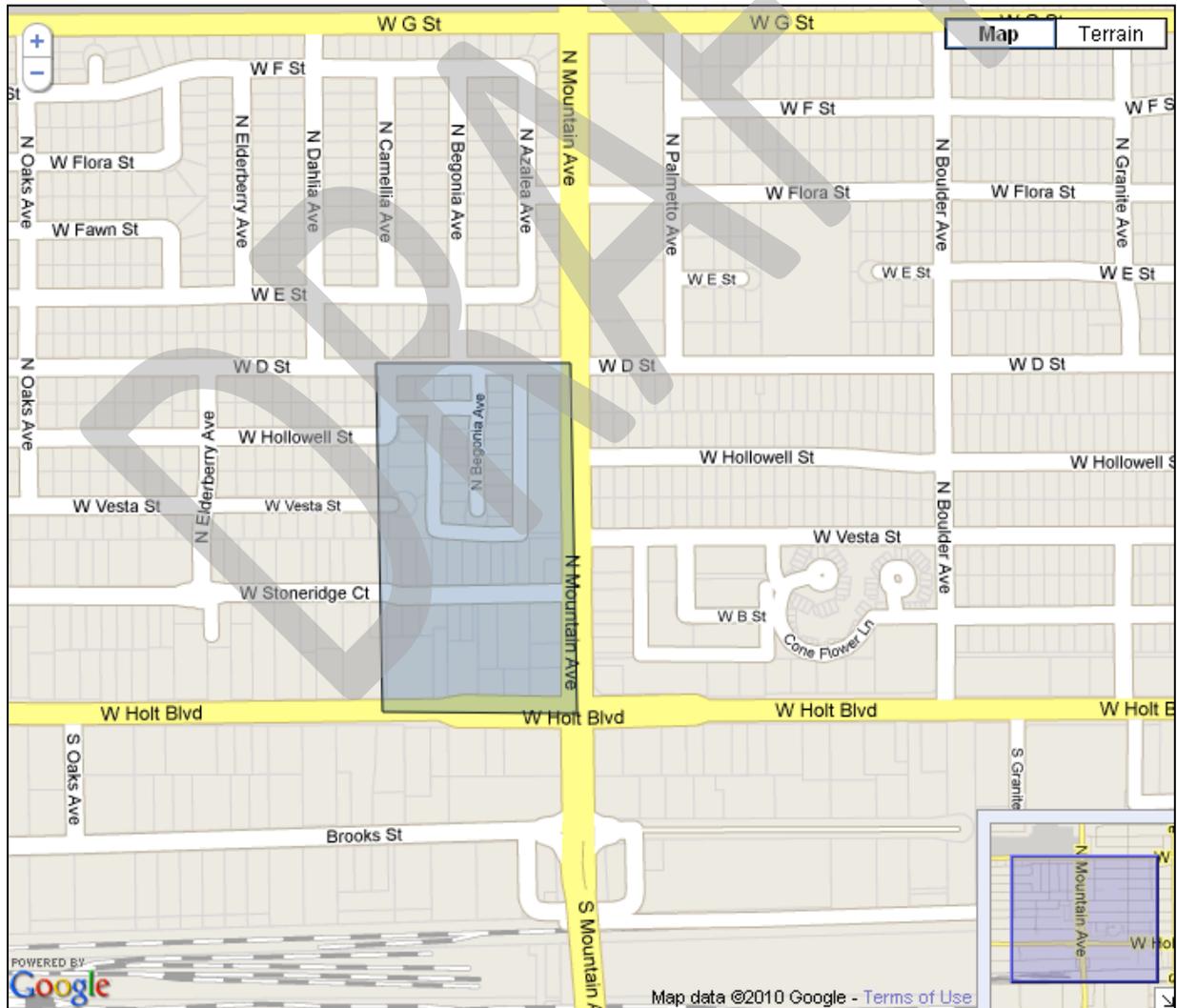
Attachment B

City of Ontario  
First Amendment to the Fiscal Year 2010-2011 One Year Action Plan  
Neighborhood Stabilization Program 3 (NSP3)

Map Submission and NSP3 Planning Data report

The maps and NSP3 Planning Data reports generated at the HUD NSP3 Mapping Tool for Preparing Action Plan website for the three target neighborhoods (Begonia-D Street, Vine-D Street, and South Euclid) are included below.

Neighborhood Name: Begonia-D Street



Neighborhood ID: 5053680

### **NSP3 Planning Data**

Grantee ID: 0625560E  
Grantee State: CA  
Grantee Name: ONTARIO  
Grantee Address: 208 W Emporia St Ontario CA 91762  
Grantee Email: kgonzalez@ci.ontario.ca.us

Neighborhood Name: Begonia-D Street  
Date: 2010-11-29 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 20  
State Minimum Threshold NSP3 Score: 17  
Total Housing Units in Neighborhood: 80

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 86.05  
Percent Persons Less than 80% AMI: 71.41

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified. In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 80  
Residential Addresses Vacant 90 or more days (USPS, March 2010): 3  
Residential Addresses NoStat (USPS, March 2010): 0

### Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 42  
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 29.6  
Percent of Housing Units 90 or more days delinquent or in foreclosure: 20.6  
Number of Foreclosure Starts in past year: 4  
Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value Federal Housing Finance Agency Home Price Index through June 2010): -44.3  
Place (if place over 20,000) or county unemployment rate June 2005\*: 5.4  
Place (if place over 20,000) or county unemployment rate June 2010\*: 14.6  
\*Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

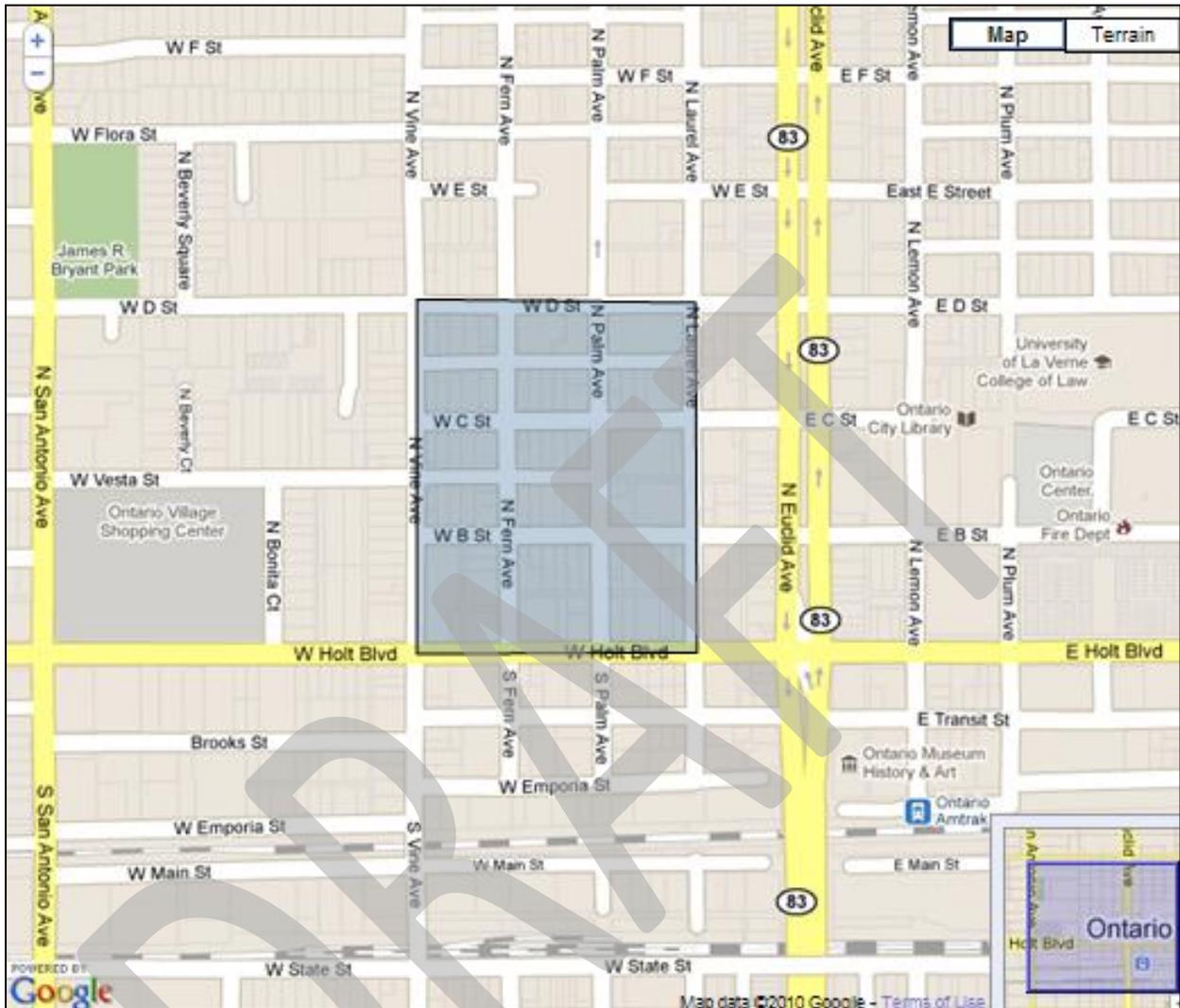
1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-117.672608 34.066987 -117.672522 34.063290 -117.670033 34.063272 -117.670119 34.066987

Blocks Comprising Target Neighborhood  
060710010003009, 060710010004000,

Neighborhood Name: Vine-D Street



Neighborhood ID: 1132934

### **NSP3 Planning Data**

Grantee ID: 0625560E  
Grantee State: CA  
Grantee Name: ONTARIO  
Grantee Address:  
Grantee Email: katgonz@yahoo.com

Neighborhood Name: Vine-D Street  
Date:2010-12-20 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 19  
State Minimum Threshold NSP3 Score: 17  
Total Housing Units in Neighborhood: 179

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 85.31  
Percent Persons Less than 80% AMI: 73.09

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 214  
Residential Addresses Vacant 90 or more days (USPS, March 2010): 8  
Residential Addresses NoStat (USPS, March 2010): 7

### Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 43

Percent of Housing Units with a high cost mortgage between 2004 and 2007: 26

Percent of Housing Units 90 or more days delinquent or in foreclosure: 19.5

Number of Foreclosure Starts in past year: 4

Number of Housing Units Real Estate Owned July 2009 to June 2010: 2

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 1

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -44.3

Place (if place over 20,000) or county unemployment rate June 2005\*: 5.4

Place (if place over 20,000) or county unemployment rate June 2010\*: 14.6

\*Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-117.655935 34.067076 -117.655935 34.063326 -117.652373 34.063343 -117.652395 34.067041

-117.652395 34.067041

Blocks Comprising Target Neighborhood

060710014002010, 060710014002009, 060710014002008, 060710014002023, 060710014002022,  
060710014002021, 060710014003005, 060710014003006, 060710014003007,

Neighborhood Name: South Euclid



Neighborhood ID: 3231597

### **NSP3 Planning Data**

Grantee ID: 0625560E  
Grantee State: CA  
Grantee Name: ONTARIO  
Grantee Address:  
Grantee Email: katgonz@yahoo.com

Neighborhood Name: South Euclid  
Date:2011-01-24 00:00:00

#### NSP3 Score

The neighborhoods identified by the NSP3 grantee as being the areas of greatest need must have an individual or average combined index score for the grantee's identified target geography that is not less than the lesser of 17 or the twentieth percentile most needy score in an individual state. For example, if a state's twentieth percentile most needy census tract is 18, the requirement will be a minimum need of 17. If, however, a state's twentieth percentile most needy census tract is 15, the requirement will be a minimum need of 15. If more than one neighborhood is identified in the Action Plan, HUD will average the Neighborhood Scores, weighting the scores by the estimated number of housing units in each identified neighborhood.

Neighborhood NSP3 Score: 19.46  
State Minimum Threshold NSP3 Score: 17  
Total Housing Units in Neighborhood: 207

#### Area Benefit Eligibility

Percent Persons Less than 120% AMI: 83.77  
Percent Persons Less than 80% AMI: 69.02

#### Neighborhood Attributes (Estimates)

##### *Vacancy Estimate*

USPS data on addresses not receiving mail in the last 90 days or "NoStat" can be a useful measure of whether or not a target area has a serious vacancy problem. For urban neighborhoods, HUD has found that neighborhoods with a very high number vacant addresses relative to the total addresses in an area to be a very good indicator of a current for potentially serious blight problem.

The USPS "NoStat" indicator can mean different things. In rural areas, it is an indicator of vacancy. However, it can also be an address that has been issued but not ever used, it can indicate units under development, and it can be a very distressed property (most of the still flood damaged properties in New Orleans are NoStat). When using this variable, users need to understand the target area identified.

In addition, the housing unit counts HUD gets from the US Census indicated above are usually close to the residential address counts from the USPS below. However, if the Census and USPS counts are substantially different for your identified target area, users are advised to use the information below with caution. For example if there are many NoStats in an area for units never built, the USPS residential address count may be larger than the Census number; if the area is a rural area largely served by PO boxes it may have fewer addresses than housing units.

USPS Residential Addresses in Neighborhood: 205  
Residential Addresses Vacant 90 or more days (USPS, March 2010): 4  
Residential Addresses NoStat (USPS, March 2010): 0

### Foreclosure Estimates

HUD has developed a model for predicting where foreclosures are likely. That model estimates serious delinquency rates using data on the leading causes of foreclosures - subprime loans (HMDA Census Tract data on high cost and highly leveraged loans), increasing unemployment (BLS data on unemployment rate change), and fall in home values (FHFA data on house price change). The predicted serious delinquency rate is then used to apportion the state total counts of foreclosure starts (from the Mortgage Bankers Association) and REOs (from RealtyTrac) to individual block groups.

Total Housing Units to receive a mortgage between 2004 and 2007: 134  
Percent of Housing Units with a high cost mortgage between 2004 and 2007: 29.04  
Percent of Housing Units 90 or more days delinquent or in foreclosure: 20.52  
Number of Foreclosure Starts in past year: 13  
Number of Housing Units Real Estate Owned July 2009 to June 2010: 7

HUD is encouraging grantees to have small enough target areas for NSP 3 such that their dollars will have a visible impact on the neighborhood. Nationwide there have been over 1.9 million foreclosure completions in the past two years. NSP 1, 2, and 3 combined are estimated to only be able to address 100,000 to 120,000 foreclosures. To stabilize a neighborhood requires focused investment.

Estimated number of properties needed to make an impact in identified target area (20% of REO in past year): 3

### Supporting Data

Metropolitan Area (or non-metropolitan area balance) percent fall in home value since peak value (Federal Housing Finance Agency Home Price Index through June 2010): -44.3  
Place (if place over 20,000) or county unemployment rate June 2005\*: 5.4  
Place (if place over 20,000) or county unemployment rate June 2010\*: 14.6  
\*Bureau of Labor Statistics Local Area Unemployment Statistics

### Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things to consider:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious consideration should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.
4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.
5. Historically high cost rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

### Latitude and Longitude of corner points

-117.653511 34.053637 -117.653360 34.047397 -117.648447 34.047432 -117.648447 34.053637  
-117.648447 34.053637

Blocks Comprising Target Neighborhood

060710017011007, 060710017011015, 060710017011014, 060710017016000, 060710018012001,  
060710018014014, 060710018014013,

## Attachment C

### City of Ontario

## First Amendment to the Fiscal Year 2010-2011 One Year Action Plan Neighborhood Stabilization Program 3 (NSP3)

### Blighted Structures

#### California Health and Safety Code Section 33031

(a) This subdivision describes physical conditions that cause blight:

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

(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.

(3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.

(4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.

(b) This subdivision describes economic conditions that cause blight:

(1) Depreciated or stagnant property values.

(2) Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).

(3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.

(4) A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

(5) Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standard referenced in Article 5 (commencing with Section 32) of Chapter 1 of Title 25 of the California Code of Regulations.

(6) An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.

(7) A high crime rate that constitutes a serious threat to the public safety and welfare.

**UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS**  
**SECTION 302 — DANGEROUS BUILDING**

For the purpose of this code, any building or structure which has any or all of the conditions or defects hereinafter described shall be deemed to be a dangerous building, provided that such conditions or defects exist to the extent that the life, health, property or safety of the public or its occupants are endangered:

1. Whenever any door, aisle, passageway, stairway or other means of exit is not of sufficient width or size or is not so arranged as to provide safe and adequate means of exit in case of fire or panic.
2. Whenever the walking surface of any aisle, passageway, stairway or other means of exit is so warped, worn, loose, torn or otherwise unsafe as to not provide safe and adequate means of exit in case of fire or panic.
3. Whenever the stress in any materials, member or portion thereof, due to all dead and live loads, is more than one and one half times the working stress or stresses allowed in the Building Code for new buildings of similar structure, purpose or location.
4. Whenever any portion thereof has been damaged by fire, earthquake, wind, flood or by any other cause, to such an extent that the structural strength or stability thereof is materially less than it was before such catastrophe and is less than the minimum requirements of the Building Code for new buildings of similar structure, purpose or location.
5. Whenever any portion or member or appurtenance thereof is likely to fail, or to become detached or dislodged, or to collapse and thereby injure persons or damage property.
6. Whenever any portion of a building, or any member, appurtenance or ornamentation on the exterior thereof is not of sufficient strength or stability, or is not so anchored, attached or fastened in place so as to be capable of resisting a wind pressure of one half of that specified in the Building Code for new buildings of similar structure, purpose or location without exceeding the working stresses permitted in the Building Code for such buildings.
7. Whenever any portion thereof has wracked, warped, buckled or settled to such an extent that walls or other structural portions have materially less resistance to winds or earthquakes than is required in the case of similar new construction.
8. Whenever the building or structure, or any portion thereof, because of (i) dilapidation, deterioration or decay; (ii) faulty construction; (iii) the removal, movement or instability of any portion of the ground necessary for the purpose of supporting such building; (iv) the deterioration, decay or inadequacy of its foundation; or (v) any other cause, is likely to partially or completely collapse.
9. Whenever, for any reason, the building or structure, or any portion thereof, is manifestly unsafe for the purpose for which it is being used.

10. Whenever the exterior walls or other vertical structural members list, lean or buckle to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one third of the base.
11. Whenever the building or structure, exclusive of the foundation, shows 33 percent or more damage or deterioration of its supporting member or members, or 50 percent damage or deterioration of its nonsupporting members, enclosing or outside walls or coverings.
12. Whenever the building or structure has been so damaged by fire, wind, earthquake or flood, or has become so dilapidated or deteriorated as to become (i) an attractive nuisance to children; (ii) a harbor for vagrants, criminals or immoral persons; or as to (iii) enable persons to resort thereto for the purpose of committing unlawful or immoral acts.
13. Whenever any building or structure has been constructed, exists or is maintained in violation of any specific requirement or prohibition applicable to such building or structure provided by the building regulations of this jurisdiction, as specified in the Building Code or Housing Code, or of any law or ordinance of this state or jurisdiction relating to the condition, location or structure of buildings.
14. Whenever any building or structure which, whether or not erected in accordance with all applicable laws and ordinances, has in any nonsupporting part, member or portion less than 50 percent, or in any supporting part, member or portion less than 66 percent of the (i) strength, (ii) fire-resisting qualities or characteristics, or (iii) weather-resisting qualities or characteristics required by law in the case of a newly constructed building of like area, height and occupancy in the same location.
15. Whenever a building or structure, used or intended to be used for dwelling purposes, because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate light, air or sanitation facilities, or otherwise, is determined by the health officer to be unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.
16. Whenever any building or structure, because of obsolescence, dilapidated condition, deterioration, damage, inadequate exits, lack of sufficient fire-resistive construction, faulty electric wiring, gas connections or heating apparatus, or other cause, is determined by the fire marshal to be a fire hazard.
17. Whenever any building or structure is in such a condition as to constitute a public nuisance known to the common law or in equity jurisprudence.
18. Whenever any portion of a building or structure remains on a site after the demolition or destruction of the building or structure or whenever any building or structure is abandoned for a period in excess of six months so as to constitute such building or portion thereof an attractive nuisance or hazard to the public.

## Attachment D

### City of Ontario First Amendment to the Fiscal Year 2010-2011 One Year Action Plan Neighborhood Stabilization Program 3 (NSP3)

#### Rehabilitation Standards

##### Uniform Housing Code Chapter 10

###### **1001.1 General.**

Any building or portion thereof that is determined to be an unsafe building in accordance with Section 102 of the Building Code, or any building or portion thereof, including any dwelling unit, guest room or suite of rooms, or the premises on which the same is located, in which there exists any of the conditions referenced in this section to an extent that endangers the life, limb, health, property, safety or welfare of the public or the occupants thereof, shall be deemed and hereby are declared to be substandard buildings.

###### **1001.2 Inadequate Sanitation.**

Buildings or portions thereof that shall be deemed substandard when they are insanitary. Inadequate sanitation shall include, but not be limited to, the following:

1. Lack of or improper water closet, lavatory, bathtub or shower in a dwelling unit or lodging house.
2. Lack of or improper water closets, lavatories, and bathtubs or showers per number of guests in a hotel.
3. Lack of or improper kitchen sink in a dwelling unit.
4. Lack of hot and cold running water to plumbing fixtures in a hotel.
5. Lack of hot and cold running water to plumbing fixtures in a dwelling unit or lodging house.
6. Lack of adequate heating facilities.
7. Lack of or improper operation of required ventilating equipment.
8. Lack of minimum amounts of natural light and ventilation required by this code.
9. Room and space dimensions less than required by this code.
10. Lack of required electrical lighting.
11. Dampness of habitable rooms.
12. Infestation of insects, vermin or rodents as determined by the health officer.
13. General dilapidation or improper maintenance.
14. Lack of connection to required sewage disposal system.
15. Lack of adequate garbage and rubbish storage and removal facilities as determined by the health officer.

###### **1001.3 Structural Hazards.**

Buildings or portions thereof shall be deemed substandard when they are or contain structural

hazards. Structural hazards shall include, but not be limited to, the following:

1. Deteriorated or inadequate foundations.
2. Defective or deteriorated flooring or floor supports.
3. Flooring or floor supports of insufficient size to carry imposed loads with safety.
4. Members of walls, partitions or other vertical supports that split, lean, list or buckle due to defective material or deterioration.
5. Members of walls, partitions or other vertical supports that are of insufficient size to carry imposed loads with safety.
6. Members of ceilings, roofs, ceiling and roof supports, or other horizontal members that sag, split or buckle due to defective material or deterioration.
7. Members of ceilings, roofs, ceiling and roof supports, or other horizontal members that are of insufficient size to carry imposed loads with safety.
8. Fireplaces or chimneys that list, bulge or settle due to defective material or deterioration.
9. Fireplace or chimneys that are of insufficient size or strength to carry imposed loads with safety.

#### **1001.4 Nuisance.**

Buildings or portions thereof in which there exists any nuisance as defined in this code are deemed substandard buildings.

#### **1001.5 Hazardous Electrical Wiring.**

Electrical wiring that was installed in violation of code requirements in effect at the time of installation or electrical wiring not installed in accordance with generally accepted construction practices in areas where no codes were in effect or that has not been maintained in good condition or that is not being used in a safe manner shall be considered substandard.

#### **1001.6 Hazardous Plumbing.**

Plumbing that was installed in violation of code requirements in effect at the time of installation or plumbing not installed in accordance with generally accepted construction practices in areas where no codes were in effect or that has not been maintained in good condition or that is not free of cross-connections or siphonage between fixtures shall be considered substandard.

#### **1001.7 Hazardous Mechanical Equipment.**

Mechanical equipment that was installed in violation of code requirements in effect at the time of installation or mechanical equipment not installed in accordance with generally accepted construction practices in areas where no codes were in effect or that has not been maintained in good and safe condition shall be considered substandard.

#### **1001.8 Faulty Weather Protection.**

Buildings or portions thereof shall be considered substandard when they have faulty weather protection, which shall include, but not be limited to, the following:

1. Deteriorated, crumbling or loose plaster.

2. Deteriorated or ineffective waterproofing of exterior walls, roof, foundations or floors, including broken windows or doors.
3. Defective or lack of weather protection for exterior wall coverings, including lack of paint, or weathering due to lack of paint or other approved protective covering.
4. Broken rotted, split or buckled exterior wall coverings or roof coverings.

#### **1001.9 Fire Hazard.**

Any building or portion thereof, device, apparatus, equipment, combustible waste, or vegetation that, in the opinion of the chief of the fire department, is in such condition as to cause a fire or explosion or provide a ready fuel to augment the spread and intensity of fire or explosion arising from any cause shall be considered substandard.

#### **1001.10 Faulty Materials of Construction.**

The use of materials of construction, except those that are specifically allowed or approved by this code and the Building Code, and that have been adequately maintained in good and safe condition, shall cause a building to be substandard.

#### **1001.11 Hazardous or Insanitary Premises.**

The accumulation of weeds, vegetation, junk, dead organic matter, debris, garbage, offal, rat harborages, stagnant water, combustible materials, and similar materials or conditions on a premises constitutes fire, health or safety hazards that shall be abated in accordance with the procedures specified in Chapter 11 of this code.

#### **1001.12 Inadequate Exits.**

Except for those buildings or portions thereof that have been provided with adequate exit facilities conforming to the provisions of this code, buildings or portions thereof whose exit facilities were installed in violation of code requirements in effect at the time of their construction or whose exit facilities have not been increased in number or width in relation to any increase in occupant load due to alterations, additions or change in use or occupancy subsequent to the time of construction shall be considered substandard.

Notwithstanding compliance with code requirements in effect at the time of their construction, buildings or portions thereof shall be considered substandard when the building official finds that an unsafe condition exists through an improper location of exits, a lack of an adequate number or width of exits, or when other conditions exist that are dangerous to human life.

#### **1001.13 Inadequate Fire-protection or Firefighting Equipment.**

Buildings or portions thereof shall be considered substandard when they are not provided with the fire-resistive construction or fire-extinguishing systems or equipment required by this code, except those buildings or portions thereof that conformed with all applicable laws at the time of their construction and whose fire-resistive integrity and fire-extinguishing systems or equipment have been adequately maintained and improved in relation to any increase in occupant load, alteration or addition, or any change in occupancy.

**1001.14 Improper Occupancy.**

All buildings or portions thereof occupied for living, sleeping, cooking or dining purposes that were not designed or intended to be used for such occupancies shall be considered substandard.

DRAFT

**Attachment E**

**City of Ontario  
First Amendment to the Fiscal Year 2010-2011 One Year Action Plan  
Neighborhood Stabilization Program 3 (NSP3)**

**Summary of Public Comments**

DRAFT

Attachment F

City of Ontario  
First Amendment to the Fiscal Year 2010-2011 One Year Action Plan  
Neighborhood Stabilization Program 3 (NSP3)

Public Notices

San Bernardino Co. Public Notices 55

San Bernardino Co. Public Notices 55  
NOTICE OF 15-DAY  
PUBLIC REVIEW  
CITY OF ONTARIO NSP3  
SUBSTANTIAL AMENDMENT TO  
THE CONSOLIDATED PLAN  
ANNUAL ACTION PLAN FOR THE  
2010-2011 PROGRAM YEAR

B8 INLAND VALLEY DAILY BULLETIN | [dailybulletin.com](http://dailybulletin.com)

MONDAY, JANUARY 31, 2011

The Consolidated Plan FY 2010-2011 One-Year Action Plan (AP) describes how the City of Ontario intends to spend the funds it receives from the U.S. Department of Housing and Urban Development (HUD) grant programs. The City is currently entitled to funds from the following four programs: Community Development Block Grant (CDBG); HOME Investment Partnership (HOME); and Emergency Shelter Grant (ESG). In addition to the funds already allocated, the City has received an allocation of Neighborhood Stabilization Program 3 (NSP3) funds requiring a substantial amendment to describe how the City of Ontario intends to spend the NSP3 funds.

The AP for Fiscal Year 2010-2011 was approved by City Council on May 4, 2010 and was submitted to HUD on May 14, 2010. Since this date, NSP3 funds in the amount of \$1,872,853 have been allocated to the City of Ontario. Eligible activities that can be funded under NSP3 include the following: financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties; purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon in order to sell, rent, or redevelop these properties, including infrastructure and other public improvements; establish land banks for homes that have been foreclosed upon; demolish blighted structures; and redevelop demolished or vacant properties, including infrastructure and other public improvements. In addition 10% of NSP3 funds may be used for administrative costs.

The proposed amendment constitutes a substantial change to the AP, which necessitates a formal amendment to the AP. The proposed amendment is tentatively scheduled to be presented to City Council for approval on February 15, 2011 at the regularly scheduled City Council meeting beginning at 6:30 p.m. The City Council meeting will be located in the Council Chambers, located at 303 E. "B" Street, Ontario, CA 91764.

**PUBLIC COMMENT**

For a period of fifteen (15) days, beginning on Monday, January 31, 2011 and ending on Tuesday, February 15, 2011, the public is invited to submit written comments on the proposed amendment.

Copies of the proposed amendment will be available on the City's website at [www.ci.ontario.ca.us](http://www.ci.ontario.ca.us) and for public review at the following locations:

Ovitt Family Community Library  
215 East "C" Street, Ontario

City Clerk's Office  
Ontario City Hall, 200 N. Cherry St.,  
Ontario

Housing and Neighborhood  
Revitalization Agency  
208 West Emporia Street, Ontario

Questions and written comments regarding the Amended Action Plan may be addressed to the following:

Katryna Gonzalez, Project Manager  
City of Ontario  
Housing and Neighborhood  
Revitalization Director  
208 West Emporia Street  
Ontario, CA 91762

Comments are to be submitted no later than Tuesday, February 15, 2011. Comments received after Tuesday, February 15, 2011, will not be considered in the amendment process.

Published: Monday, January 31, 2011  
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