VI. FIVE-YEAR ACTION PLAN

This section of the Housing Element presents the City's Five-Year Housing Action Plan for the period 2000 – 2005. The goals, strategies and actions described below are organized according to major issue areas and reflect the findings of the City's needs assessment and evaluation of the accomplishments since the last Housing Element was adopted in 1989.

A. GOALS, STRATEGIES, AND ACTIONS

Issue 1: How will the City accommodate its fair share of the region's new housing need through 2005?

a. Discussion:

Through the Regional Housing Needs Assessment process, each jurisdiction is allocated a portion of the region's identified housing need through the year 2005. Upland's fair share of this need according to income category is shown in Table 50.

TABLE 50
SUMMARY OF HOUSING NEEDS BY INCOME CATEGORY
1998-2005 [1]

Income Category	Total Need 1998-2005	Units Built 1/98-4/00	Remaining Need 2000-2005	Vacant Land Inventory[2]	Surplus (Deficit)
Very Low	435	0	435	0	(435)
Low	326	0	326	24	(302)
Moderate	419	65	354	305	(49)
Above Moderate	1,170	318	852	1,253	401
Total	**2,350**	**383**	**1,967**	**1,582**	**(385)**

[1] The RHNA analysis period is January 1, 1998 through June 30, 2005.
[2] Based on preliminary vacant land analysis (Table 39).
Sources: SCAG Draft RHNA, 1999; City of Upland; The Planning Center

State law requires that cities adopt plans and policies to address their fair share of housing need. The City proposes to address its need through a variety of policies and programs that minimize constraints to the development of new housing and proactively assist in the development of housing for persons with low and moderate incomes. As discussed in Section IV.B.1, one of the City's most important, but limited, resources for housing production is its vacant land. Based on current land use designations, the City has a development capacity of about 1,600 additional units, or about 385 units less than its remaining fair share housing need. The estimated deficit is most significant in the very-low- and low-income categories.

As a result of this shortfall, the City's Five-Year Action Plan includes the evaluation of vacant or underutilized parcels that may be suitable for affordable housing development, including parcels not currently zoned for residential use. The results of this evaluation are presented in Appendix A. The evaluation identifies sufficient sites that have the potential to accommodate the City's housing need in each of the four income categories and identifies actions that would need to be taken prior to residential development of each site. Although general economic conditions will have a major effect on the amount of construction that will occur over the next 5 years, the policies and actions described in this Action Plan will enable the City to accommodate its fair share of the region's housing need.

b. Goals:

Goal 1. ***To assist in the development of adequate housing to meet the City's fair share of the region's housing needs for all economic segments of the population, including low- and moderate-income households.***

c. Strategies and Actions:

Strategy 1a. Provide incentives to private developers who agree to make new affordable units available to low- and moderate-income households.

Action: *Encourage property owners and developers to build affordable units by offering incentives such as density bonus, expedited permit processing, tax-exempt conduit financing, infrastructure financing assistance and direct financial assistance in exchange for a commitment to provide units at affordable prices or rents.*

Strategy 1b. Identify specific undeveloped areas and under-utilized properties that are suitable for higher-density apartment and condominium development. (See Appendix A)

Action: *Identify candidate sites for the development of affordable senior housing projects with the objective of providing 500 new senior affordable units by 2005.*

Action: *Identify vacant and underutilized candidate sites in the Town Center area and/or along Foothill Boulevard or any other redevelopment project area where high-quality multi-family and condominium or mixed-use development would be a catalyst for the area's revitalization and would stimulate additional private investment with the objective of providing 375 new affordable units by 2005.*

Action: *Provide assistance to first-time homebuyers in targeted areas.*

Strategy 1c. Continue the use of creative planning concepts such as specific plans and mixed-use development as a means of enhancing housing diversity and choice.

Action: *Specific plans allow large areas to be planned in a manner that encourages the efficient use of infrastructure and other resources and maximizes the compatibility between different land uses. Planning for the major undeveloped area of the city (The Colonies) is being done through the specific plan process. Any new large-scale development will be encouraged to utilize the specific plan concept.*

Strategy 1d. Encourage the development of second units in appropriate residential areas and with appropriate development standards in order to provide additional affordable housing opportunities without creating unacceptable impacts to existing neighborhoods.

Action: *Review the second unit ordinance and revise, if necessary, to encourage second units in suitable areas with appropriate development standards and allow* *construction of second units for qualifying senior citizens without a Conditional Use Permit. (Objective – 40 units)*

Strategy 1e. Evaluate the City's policies, codes, development review procedures and fees as part of the Housing Element update cycle to ensure that they do not represent unjustified constraints to the development, maintenance and improvement of housing.

Action: *The City conducted a review of its policies, codes, development procedures and fees as part of the Housing Element update effort (see Housing Element Section IV). This review concluded that the City's procedures and fees are reasonable and do not present an unnecessary constraint to the production of housing.*

Issue 2: How can the City facilitate the rehabilitation and preservation of existing residential neighborhoods, especially affordable units??

a. *Discussion:*

New construction represents a relatively small percentage of the City's total housing inventory. The preservation and rehabilitation of the existing housing stock, especially affordable apartments, is essential in order for the City to meet its housing needs. Of particular concern are assisted rental projects that are eligible to convert to market rate due to the expiration of agreements between the owners and government agencies.

The City participates in a variety of programs that provide assistance and incentives to property owners for carrying out needed repairs. Projects eligible to convert to market rate have also been evaluated for opportunities to extend existing commitments to maintain rents at affordable levels.

It is also recognized that mature cities such as Upland require ongoing investment for the general maintenance and periodic replacement of infrastructure such as streets, sidewalks, water and wastewater systems, storm drains, street lights, landscaping and other public facilities in order to maintain the quality of residential neighborhoods. Without this public investment, residents and landlords may be discouraged from making needed repairs to their properties and gradual deterioration may occur. In addition to the City's General Fund, the federal CDBG program provides financing for infrastructure maintenance and replacement.

b. Goals:

Goal 2. ***To conserve and improve the condition of the existing housing stock, especially affordable housing.***

c. Strategies and Actions:

Strategy 2a. Continue to use all available federal, state and local funds to assist housing rehabilitation.

Action: *Continue to use redevelopment agency housing set-aside funds and federal HOME funds to finance housing rehabilitation.*

Strategy 2b. Preserve the affordability of federal, state and city subsidized units threatened with conversion to market rates.

Action: *As part of this Housing Element Update effort, the City has prepared an inventory of units eligible to convert to market rate during the next 10 years. (see Housing Element Section IV.C.2) The City will contact these project owners on an annual basis and take appropriate action to preserve these affordable units if necessary.*

Action: *Assist eligible non-profit buyers in acquiring market rate apartments using mortgage revenue bonds with a portion of the units made available to lower-income households at affordable rents.*

Strategy 2c. Enhance the quality of existing residential neighborhoods by including adequate maintenance of public facilities in the City's capital improvement program and requiring residents and landlords to maintain their properties in good condition.

Action: *Continue the City's code enforcement and graffiti removal programs.*

Action: *Continue to provide ongoing infrastructure maintenance in existing residential neighborhoods through the capital improvement program.*

Action: *Continue to participate in the CDBG program.*

Action: *Identify existing apartment complexes in need of repair and provide financial assistance or other incentives to encourage the owner to make a substantial investment in rehabilitation and ongoing maintenance and guarantee long-term affordability. Where appropriate, the development of additional units may be permitted as one incentive.*

Strategy 2d. Preserve the affordability of apartment units that are converted to condominiums.

Action: *Develop a Condominium Conversion Ordinance requiring that a portion of units be made available to low- and moderate-income buyers in exchange for the City's financial assistance.*

Issue 3: How can the City ensure equal housing opportunities and prevent housing discrimination?

a. *Discussion:*

Equal housing opportunity is a fundamental right of all Americans. Federal and state fair housing laws make discrimination illegal, but enforcement action is sometimes necessary to ensure that existing laws are upheld.

Existing federal law also requires new buildings to make reasonable accommodation for persons with disabilities.

b. Goals:

Goal 3. ***To promote housing opportunities for all persons regardless of race, age, religion, sex, marital status, ancestry, national origin, or color.***

c. Strategies and Actions:

Strategy 3a. Continue to support fair housing laws and organizations that provide fair housing information and enforcement.

Action: *Provide financial assistance from CDBG funds to fair housing organizations.*

Strategy 3b. Encourage the removal of architectural barriers in existing residential units.

Action: *Continue to enforce the building code provisions requiring accessible design.*

Strategy 3c. Ensure the availability of financing for affordable housing projects.

Action: *Obtain annual Community Reinvestment Act reports from local lenders and negotiate favorable terms for low- and moderate-income homebuyers and multi-family projects.*

Issue 4: How can the City help persons in need of housing assistance?

a. Discussion:

While most direct housing assistance is funded by federal or state programs, the City can help its residents by providing information on available programs, by assisting with program administration, or by providing additional financial assistance. One of the best known such programs is the Section 8 Rental Assistance Program, which provides rent subsidies to low-income households. This program is administered locally by the Upland Housing Authority.

For persons in need of temporary shelter, there are two existing facilities located within the city – Foothill Family Shelter and Pacific Lifeline. The City can support these activities by providing administrative assistance or direct financial aid. According to the 1997 Homeless Census Preliminary Draft Report for the County of San Bernardino, an estimated 56,000 individuals in San Bernardino County will experience homelessness in a 3-year time span. The typical homeless person is between 30 and 50 years of age and is either a single male or a single female with an average of 3 minor dependent children. The typical homeless person is a high school graduate, who has lived in California for several years, and has been homeless for less than one year.

b. Goals:

Goal 4.1 ***Assist low-income persons in obtaining financial aid.***

Goal 4.2. ***Assist persons in need of temporary housing in obtaining short-term accommodations.***

c. Strategies and Actions:

Strategy 4a. Continue to participate in the Section 8 Rental Assistance Program.

Action: *Continue to support the Upland Housing Authority and its participation in the Section 8 Rental Assistance Program.*

Strategy 4b. Ensure rent stability in the city's mobile home parks.

Action: *Continue to enforce the mobile home rent control ordinance.*

Strategy 4c. Provide financial assistance to low- and moderate-income households in purchasing homes.

Action: *Continue to participate in the Lease-to-Own Program.*

Action: *Provide assistance to first-time homebuyers.*

Strategy 4d. Ensure that all affordable housing assisted with public funds remains affordable for the required time period.

Action: *Monitor all bond-financed projects annually to verify compliance with affordability covenants.*

Strategy 4e. Support the existing transitional housing shelters in the city by providing financial assistance.

Action: *Continue to provide a minimum of $5,000 per year in financial assistance to the city's transitional housing shelters.*

Issue 5: How can the City encourage energy conservation in residential development?

a. Discussion:

State law requires that cities analyze opportunities for energy conservation in residential development as part of their Housing Element review process.

b. Goals:

Goal 5: **Reduce residential energy use within the City.**

c. Strategies and Actions:

Strategy 5a. Encourage the use of energy conservation features in residential construction and remodeling.

Action: *Continue to participate in the Home Weatherization Program.*

Action: *Maintain and distribute literature on energy conservation, including solar, additional insulation, and subsidies available from utility companies, and encourage* *homeowners and landlords to incorporate these features into construction and remodeling projects.*

B. Implementation Programs

1. Federal Resources

a. *HOME Funds*

The Home Investment Partnership (HOME) Program is a federal program, created as a result of the National Housing Affordability Act of 1990. Under HOME, HUD awards funds to localities on the basis of a formula which takes into account tightness of the local housing market, inadequate housing, poverty and housing production costs. Localities must qualify for at least $500,000, based on HUD's distribution formula, to receive direct allocation of funds, or can apply to the state or combine with adjacent jurisdictions.

HOME funding is provided to jurisdictions to assist either rental housing or home ownership through acquisition, construction, reconstruction, and/or rehabilitation of affordable housing. Also possible is tenant based rental assistance, property acquisition, site improvements, and other expenses related to the provision of affordable housing and for projects that serve a group identified as having a special need related to housing. The local jurisdiction must make matching contributions to affordable housing under HOME, of which Redevelopment Agency Housing Set-Aside funds would be the primary resource. The City utilizes HOME program funds for owner-occupied substantial and other rehabilitation activities as well as rental rehabilitation activities. The City received $748,600 in 1998 and $499,800 in 1999 under this program.

b. *Community Development Block Grant Program (CDBG)*

Through the federal CDBG program, HUD provides funds to local governments for funding a range of community development activities. CDBG grants are awarded to the City on a formula basis for housing activities, including acquisition, rehabilitation, homebuyer assistance, economic development, homeless services and public services. CDBG funds are subject to certain restrictions and cannot be used for new housing construction. CDBG grants benefit primarily persons/households with incomes not exceeding 80% of the County Median Family Income.

c. *Section 108 Program*

Section 108 is the loan guarantee provision of the CDBG program. This provision provides communities with a source of financing for a variety of housing and economic development activities. All rules and requirements of the CDBG program apply, and therefore all projects and activities must principally benefit low- and moderate-income persons, aid in the elimination or prevention of blight, or meet urgent needs of the community.

Monies received under the Section 108 loan guarantee program are limited to not more than 5 times the applicant's most recently approved CDBG amount, less prior Section 108 commitments. Activities eligible for these funds include: economic development activities eligible under CDBG; acquisition of real property; rehabilitation of publicly-owned property; housing rehabilitation eligible under CDBG; construction, reconstruction or installation of public facilities: related relocation, clearance or installation of public facilities; payment of interest on the guaranteed loan and issuance costs of public offerings; debt service reserves; and public works and site improvements.

Section 108 loans are secured and repaid by pledges of future and current CDBG funds. Additional security requirements may also be imposed on a case by case basis.

d. Mortgage Credit Certificate Program

Under the Mortgage Credit Certificate (MCC) Program, first-time homebuyers receive a tax credit of up to 15% of the mortgage interest paid for the year based on a percentage of the interest paid on their mortgage. This credit typically amounts to $80 to $125 month. This tax credit allows the buyer to qualify more easily for home loans as it increases the effective income of the buyer. Under federal legislation, 20% of the allocation must be set-aside for first time homebuyers with incomes between 75% and 80% of the County median income. This program may be used alone or in conjunction with a Down Payment Assistance Loan. The mortgage tax credit allows participants to meet monthly housing costs for households unable to meet monthly market-level payments. Additionally, lenders may write down the cost of the mortgage based on the value of the credit.

MCC funds are generated under the Mortgage Revenue Bond (MRB) allocation. Under the Tax Reform Act of 1984, state and local governments were permitted to exchange some or all of their authority to issue Mortgage Revenue Bonds (MRBs), for the authority to issue MCCs. For every dollar of MRB allocation, the City can exchange 25% of their MRB's for MCC's.

e. Section 8 Rental Assistance Payments/Housing Certificates

The Section 8 program provides rental assistance to low- and moderate-income families, elderly, and disabled persons who spend more than 30% of their monthly income on rent. The subsidy represents the difference between the excess of 30% of the recipients' adjusted gross income and the federally approved fair market rents (FMR). In general, the FMR for an area is the amount that would be needed to rent privately owned, decent, safe and sanitary rental housing. Section 8 assistance is available in the following forms:

- Section 8 Existing Housing Certificate Program - Under the certificate program, the landowner enters into a contract with the Upland Housing Authority (or the San Bernardino County Housing Authority) which establishes limits for the rent which will be subsidized for the very-low-income unit to the Fair Market Rent. Eligible tenants must pay the highest of either 30% of adjusted income, 10% of gross income, or the portion of welfare assistance designated for housing. Housing subsidized through this program must meet standards of safety and sanitation established by HUD.

- Section 8 Existing Housing Voucher Program - This program is similar to the Certificate Program, however, rents are not restricted. The tenant instead must pay the difference between the Fair Market Rent standard and the actual rent.

f. Section 202/811 Housing for Elderly or Handicapped Housing

Under this federally-administered program, direct loans are made to eligible, private nonprofit organizations and consumer operative sponsors to finance development of rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The interest rates on such loans are determined annually. Section 8 funds are made available for all of the Section 202 units for the elderly. Rental assistance for 100% of the units for handicapped persons has also recently been made available. Section 811 can be used to develop group homes, independent living facilities, and intermediate care facilities.

Private, nonprofit sponsors may qualify for Section 202 no-interest capital financing loans. Households of one or more persons, the head of which is at least 62 years old or is a qualified non-elderly handicapped person between the ages of 18 and 62, are eligible to live in these units.

g. Housing Opportunities for Persons with AIDS (HOPWA)

The federally-administered HOPWA program provides entitlement and competitive grants for housing assistance and supportive services for persons with AIDS. Funds can be used for:

- Acquisition, rehabilitation, lease and repair of facilities;
- New construction;
- Project-based or tenant-based rental assistance;
- Planning and support services;
- Operating costs;
- Short-term rent, mortgage, and utility payments;
- Administrative expenses.

h. Supportive Housing

The Supportive Housing Programs provide grants to public and private non-profit entities to promote the development of supportive housing and services. These grants are disbursed by HUD, with recipients selected on the basis of a competitive application screening process. Funds may be used for: acquisition of property; rehabilitation; new construction (under certain limitations); leasing of structures; operating and supportive services costs.

Grants for operating costs may be for up to 75% for the first two years and 50% for the subsequent three years. Grants for other types of activities require matching funds from the recipient.

i. Federal Emergency Shelter Grants (FESG)

This federal program provides grants to improve the quality of existing shelters and/or increase the number of new shelters for the homeless. Grants are awarded to local non-profits through the State. Eligible activities include acquisition, new construction or rehabilitation of homeless facilities, and provision of support services.

j. Shelter Care Plus

This federally-administered competitive program provides grants for rental assistance for permanent housing and case management for homeless individuals with disabilities and their families.

k. Home Ownership for People Everywhere (HOPE)

The federally administered HOPE programs provide homeownership assistance awarded on a competitive basis.

- **_Hope I (Public Housing Homeownership) Program:_** The HOPE I program provides grants to assist residents of public housing to become homeowners. These grants can be of two forms: planning grants and implementation grants. Planning grants may be up to $200,000 and do not require matching funds. Implementation grants support the actual cost of developing, acquiring, and/or rehabilitating the housing. While there is no maximum amount for the implementation grants, they require local matching funds from non-federal sources.

- **_HOPE II (Homeownership of Multi-family Units) Program:_** The HOPE II program provides grants to assist low-income persons become homeowners through use of multi-family rental properties. Like HOPE I grants, these funds may be earmarked for either planning or implementation. Planning grants may not exceed $200,000 and do not require matching funds. Implementation grants may not exceed 120 times the FMR and require non-federal matching of at least 33%.

- **_HOPE III (Homeownership for Single-Family Homes):_** The HOPE III program provides grants to assist low-income persons to achieve homeownership. Both planning grants and implementation grants are available. Both grants are competitive, with applicants for planning grants up to $100,000 competing in a national pool, and applicants for implementation grants up to $3,000,000 competing in a regional pool.

2. State Resources and Programs

a. *California Housing Finance Agency (CHFA)*

CHFA provides below-market interest rate mortgage capital through the sale of tax-exempt notes and bonds.

- **_Home Mortgage Purchase Program:_** CHFA sells tax-exempt Mortgage Revenue Bonds to provide below-market financing through approved private lenders to first-time homebuyers for the purchase of new or existing homes. The program operates through participating lenders who originate loans for CHFA purchase.

- **_Self-Help Housing Program:_** CHFA assists nonprofit housing development corporations which acquire land, provide building plans, and package loans for self-help housing. Families, under the supervision of nonprofit corporations, provide the majority of the construction labor. CHFA makes commitments to self-help corporations for low-interest mortgages and provides credit enhancements to lenders who provide construction financing and preferential interest rates.

- **_Multi-family Rental Housing Mortgage Loan Program:_** This program finances the construction or substantial rehabilitation of projects containing 20 or more units. 20% of the units in a project must be set aside for low-income tenants at affordable rents for the greater of 15 years or as long as the mortgage is outstanding.

b. *Low-Income Housing Tax Credit (LIHTC) Program*

This State program provides for federal tax credits for private developers and investors who agree to set aside all or a portion of their units for low-income households and the elderly for no less than 15 years. A minimum of 20% of the units must be made available to families whose income is less than 50% of the County median income or 40% of the units must be made available to families whose income is up to 80% of the median.

Developers and investors must apply for an allocation of housing units from the State Allocation Committee, administered by the Tax Credit Allocation Committee. While the program is beneficial in adding low-income housing units to the local housing stock, the statewide allocations are limited under this program and the application process is expensive for the developer. In addition, single resident and elderly rental projects are not competitive based on the State's selection criteria.

3. Local Resources and Programs

a. Emergency Repairs Program

The Emergency Repairs Program was originated in 1999 and provides grants of up to $2,000 from RDA Set-Aside funds for minor home repair for very-low-income persons, including seniors and disabled homeowners.

b. Housing Improvement Program (HIP)

The purpose of the HIP program is provided decent, safe and sanitary housing to Upland's low-income homeowners. HIP provides deferred or amortized loans up to $25,000 to homeowners to make necessary repairs to their homes. Assistance is typically provided in the form of a no-interest, deferred loan. The loan is due and payable when the property is sold, or ownership is transferred. The City holds a lien against the house until the loan is repaid. Since January 1995, a total of 44 households have received this assistance. Updated expenditures for the program are: $505,071 in 1995, $204,140 in 1996, $17,000 in 1997, $238,000 in 1998 and $190,000 in 1999.

c. First-Time Homebuyer Program

This program is available to families and individuals who want to purchase a home in the City, but are unable to qualify and/or come up with the necessary down payment without financial assistance. The City provides down payment assistance, up to 20% of the purchase price (which cannot exceed $150,000), in the form of a 5% simple interest loan. The loan is deferred until sale of the home or transfer of title. The City holds a second deed of trust on the property until the loan is repaid upon sale or ownership transfer. Households eligible for the program can earn up to 80% of the County median income. In 1998 $475,000 was allocated to this program and $286,000 was allocated in 1999.

d. Senior Housing

The Redevelopment Agency assisted in the development of the Coy D. Estes Senior Housing Program in the Town Center Project Area. This project provided a total of 130 units. The majority of the units (111) are affordable to very-low-income seniors, and 19 units are at market rate. The Agency contributed $4 million in low- and moderate-income funds, including $1.2 million for site acquisition and relocation; $2.8 million for construction and permanent financing. The Agency formed Upland Community Housing, Inc. (UCHI), a non-profit agency, and the Upland Senior Housing Limited Partnership to facilitate financing of the project. The project was completed in June 1997.

e. Foothill Family Shelter

The Redevelopment Agency provides on-going assistance to this shelter (formerly St. Mark's Shelter) in the form of annual mortgage assistance in the amount of $5,000. The Agency entered into a 10-year agreement with the shelter provider for the purpose of debt reduction. The shelter is an 8-apartment, transitional shelter facility that serves homeless families with children. The shelter is located in Upland and also receives assistance from two surrounding communities.

f. Rental Rehabilitation Program

The Rental Rehabilitation program is designed to increase the supply of decent, affordable housing for lower-income tenants, and to encourage rental owners to maintain Upland's housing stock and neighborhoods. The majority of the tenants must be lower-income families to qualify for funding. Rents in the rehabilitated buildings must be below HUD's fair market rents for the area. Funding to the property owners is in the form of a low-interest loan, not to exceed 5%. The loan may be amortized for up to 30 years and is due and payable not later than the tenth year. Participating landlords must comply with substantial tenant screening and property maintenance requirements. Since 1995, 192 units have been assisted by this program.

g. Lease-to-Own Home Ownership Program

In Fiscal Year 1996-97, the City of Upland formed a Joint Powers Authority (JPA) with nine other cities to implement an innovative Lease-to-Own First-Time Homebuyer program. This program grants down payment assistance and closing costs to participants. The JPA offers a lease-to-own purchase arrangement to eligible purchasers (up to 140% of the median income). Purchasers pay a one-time program fee and agree to pay rent for 38 months in exchange for the grant and the JPA pays both principal and interest on the mortgage for the 38-month lease period. At the end of this period, the participant assumes a partially amortized mortgage with 27 years remaining. It is anticipated that this program may be used as a supplement to the First-Time Homebuyer Program.

h. Mortgage Revenue Bonds and Variance/Density Bonuses

Redevelopment agencies and cities are authorized to issue mortgage revenue bonds (MRBs) under State law. MRBs take advantage of the local government's ability to obtain low-interest, tax-exempt financing. Proceeds of the bonds are used to make loans which are secured by mortgages. In exchange for favorable financing terms, units assisted with MRBs are required to set-aside 20% of their units as affordable to very-low- and low-income households. There are six bond projects in the City. In addition, the City, as a condition for granting variances on two multi-family projects, required developers to set aside 20% of their units as affordable to very-low- and low-income households. Table 52 summarizes information on the bond-assisted and variance projects.

i. Upland Community Redevelopment Agency

The Upland Community Redevelopment Agency (Agency) was established for the primary purpose of effecting the elimination of blight and stimulating the City's economic base through development of new public improvements, commercial and industrial projects, and affordable housing. Of the Agency's seven redevelopment project areas, five project areas have been merged into the Amended Merged Project (the remaining two project areas are currently in litigation). The 894-acre Merged Project Area extends in irregular patterns throughout the City and contains a mixture of commercial, industrial, and residential properties primarily lining the Foothill Boulevard and Mountain Avenue corridors. The project area boundaries are shown in Exhibit 2.

As required by the California Community Redevelopment Law §33334.2, the Agency must use at least 20 percent of tax increment revenue to increase, improve, and preserve the supply of very low-, lower-, and low- and moderate-income housing in the community. According to the City of Upland Five-Year Implementation Plan for 1999-2004 (December 1999), a total of $5,965,000 will be available in the Low- and Moderate-Income Housing Fund during this 5-year period. Table 51 illustrates the annual allocation of these funds.

Exhibit 2 Existing Redevelopment Project Areas

TABLE 51
UPLAND COMMUNITY REDEVELOPMENT AGENCY
ESTIMATED LOW/MODERATE INCOME HOUSING FUND EXPENDITURES 1999 - 2004

Fund Activity	1999-00	2000-01	2001-02	2002-03	2003-04	5 Yr. Total
Rehabilitation	$425,000	$200,000	$210,000	$210,000	$210,000	$1,255,000
Infrastructure	$250,000	$100,000	$110,000	$110,000	$110,000	$680,000
Substantial Rehabilitation	$50,000	$100,000	$110,000	$110,000	$110,000	$480,000
New Construction	$0	$0	$0	$0	$0	$ 0
Administration	$240,000	$200,000	$210,000	$220,000	$230,000	$1,100,000
Debt Service Payments	$242,000	$552,000	$552,000	$552,000	$552,000	$2,450,000
TOTAL	**$1,207,000**	**$1,152,000**	**$1,192,000**	**$1,202,000**	**$1,212,000**	**$5,965,000**

Source: Upland Community Redevelopment Agency Five-Year Implementation Plan 1999-2004. December 13. 1999.

Table 51 includes Redevelopment Agency funding for the following housing programs: Affordable Housing Incentive, Senior Housing, Infill Housing, First-Time Homebuyer, Single-Family Rehabilitation, Apartment Acquisition, Emergency Repair, and Homeless Transitional Shelter/Emergency Shelter Voucher. While the Agency's current Five-Year Implementation Plan does not currently project funding for new construction, the Agency may amend the Implementation Plan to include new construction projects based on project feasibility. For more information regarding these programs please refer to Table 53 – *Housing Action Plan Summary*.

TABLE 52
INVENTORY OF BOND, HOME AND VARIANCE SET-ASIDE UNITS

Project	Location	Total Units	Program	Affordable Set-Aside Units		Expiration
				Very Low	Low	
Sunset Ridge	Project Area No. 7	108	Bond	16[1]	0[1]	2029[3]
Village Apartments	Project Area No. 7	72	Bond, RDA	20[2]	0[2]	2029[3]
Arrow Point	Arrow Benson Component Area	136	Variance & Density Bonus	12	16	Nov. 2014
Highland Hills	Outside Project Areas	64	Variance	6	7	March 2015
Mountain Springs	Outside Project Areas	340	Bond	3	65	Nov. 15, 2028
Northwood Apts. Phase I	Arrow Benson Component Area	156	Bond	--	30	March 1, 2024
Northwood Apts. Phase II	Arrow Benson Component Area	168	Bond	--	34	March 1, 2024
Upland Village Green	Outside Project Areas	186	Bond	24	23	2006
Alpine Woods	Outside Project Areas	137	Bond (CSCDA)	--	137[4]	2029[3]
Arbor Park	Outside Project Areas	260	Bond (CSCDA)	--	104	2028[3]
Coy Estes	Town Center Project Area	130	Bond (CHFA)	111	--	2026[3]
Country Club	Outside Project Areas	80	HOME	15	58	2004
342-346 Stillman	Outside Project Areas	8	HOME	2	6	2005
388-394 Stillman	Outside Project Areas	8	HOME	2	6	2005
Total						

[1] Formerly the American Apartments.
[2] Formerly the Armstrong Apartments
[3] Estimated 30 years from date of bond issue.
[4] Lower income units qualified at 60% of median income.