

# City of Upland



## DEVELOPMENT SERVICES DEPARTMENT

### HOUSING ASSET



# UPLAND HOUSING ASSETS SUMMARY SHEET

## HOUSING ASSET HISTORY

The City of Upland (City) through its Upland Community Redevelopment Agency (RDA) began acquiring certain housing assets in the late 1990s. This move was in response to the inability of the Upland Housing Authority (UHA) to repay its bond financing. The RDA had provided the UHA a letter of credit on its bonds, however, as a result of UHA default of its bond financing, the RDA letter of credit was hit with a 1.5 million dollar payment. In response to the default, RDA moved to acquire and administer the housing assets from the UHA. This move furthered the RDA's goal of ensuring long term viability of affordable housing in Upland. After the Governor's dissolution of the RDA in 2011, the housing assets were secured and eventually transferred to the City after the Development Services Department's successful deliberation with the State's Department of Finance. The housing assets have been profitably managed by RPM Company from the inception of RDA's ownership. The housing assets provide an average annual profit to the City's Housing Fund of approximately \$700,000 to \$1,000,000.

**Sycamore Court:** This 1947 traditional triplex located at 906 Sycamore Court includes a single family front dwelling unit and rear duplex unit. The property was acquired by the RDA in 2004, for the purpose of providing student housing to neighboring Chaffey College. Unfortunately, the student housing arrangement with Chaffey fell through after RDA acquisition and substantial rehabilitation. The property was later merged with the Magnolia Colony Apartments for managing purposes. Now, a standalone satellite of Magnolia Colony Apartments, Sycamore Court houses 3 families. Amenities include 3 garages, onsite laundry facilities and newly fenced yards.



**Sunset Ridge Apartments:** Situated at 597 E. 13<sup>th</sup> Street, this 108 unit garden style apartment complex was built in 1983 and purchased by the RDA from the UHA in 1999. The complex boasts several amenities such as covered parking, onsite storage bins, swimming pool, jacuzzi, tot-lot, onsite laundry facilities, BBQ area and a community room. Another distinct feature of the property is its mature landscape; 60 foot pine trees dot the complex lending to a serene and tranquil mountain atmosphere.

As the most northerly City housing asset, its proximity to the Colonies Shopping District is an added benefit and draw to its appeal as a desirable affordable living choice in Upland.

**Magnolia Colony Apartments:** The Magnolia Colony Apartments is a 72-unit complex built in the 1960s and comprised of 18-fourplex buildings. These buildings were acquired by The RDA in 2003 through 2009 largely due to the decay and deterioration of the neighborhood. This acquisition and rehabilitation project was attempting to replicate the success the RDA had in eliminating slum blight with The Village Apartments. Unfortunately, the RDA was unsuccessful in full neighborhood acquisition due to the unwillingness to sell of several key property owners. In addition, the housing collapse of the mid 2000s placed other owners in negative equity positions and, therefore, they were unable to sell. This complex rents to the entire spectrum of affordable housing; from low to moderate income families.



Amenities include onsite laundry facilities, fenced rear yards, covered parking, access to the Upland bike trail and an onsite afterschool tutoring facility operated by the City's Parks and Recreation Department. The goal of acquiring all properties along Diamond Court/Vallejo Way is steadfast with the resolve to eliminate slum blight and further foster safe and decent housing in Upland.



**The Village Apartments:** This 72-unit complex is comprised of 18 individual four-plexes, which were built in the 1960s and later consolidated as one large parcel by the RDA after its acquisition in 1999. This consolidation was deemed necessary to ensure that any future owner of the complex would have the financial wherewithal to maintain the complexes as one cohesive property and prevent the fragmented and blighted conditions that existed prior to the RDA ownership. Now collectively known as The Village Apartments, it is located at 195 S. Armstrong Way. Amenities include a tot-lot, covered parking, onsite laundry facilities and private fenced rear yards on all the downstairs units. The landscape is green, crisp and neat and the mature palm trees lining the street, lend a tropical affect. The Village

Apartments are strategically located adjacent to the Mountain Business Corridor, so Village residents enjoy easy access to local shopping, restaurants and entertainment. Another added benefit of this property is its proximity to Interstate Highway 10 so commuting is simple.

## **FUNDING SOURCES**

- Multifamily Mortgage Revenue Bonds were used to acquire Sunset Ridge Apartments and the Village Apartments.
- HOME Funds, Program Income Funds and Low Moderate Income Housing Funds were used to acquire Sycamore Court and the 18 quad units at Diamond Court and Vallejo Way which were rebadged Magnolia Colony Apartments.

## **CAPITAL IMPROVEMENTS**

As an advocate of decent, safe and affordable housing the City budgets a sizeable amount of the gross rental proceeds on capital improvement projects (CIP). On average \$400,000 annually is reinvested into the properties to make routine maintenance, necessary improvements and modernization of the units. These improvements keep the City's properties looking professional and at par with other newer and/or recently remodeled multifamily complexes in the City that compete for the same rental business. In upkeeping the properties, the City ensures that Magnolia Colony Apartments, Sunset Ridge Apartments and the Village Apartments maintain their draw as a desirable affordable housing option and an ideal place to live in Upland.

