

ORANGE COUNTY, CA**TITLE: RECOVERY FROM CRISIS: Stories & Strategies from the Neighborhood Stabilization Program**

OPEN: Narrator: The US Department of Housing and Urban Development launched The Neighborhood Stabilization Program in 2008 to stabilize communities across the country hit hardest by the housing crises. We visited 4 of these communities in 2011 and now return in 2014 to learn about the successes, the challenges and the continued stabilization efforts.

ORANGE COUNTY, CA**Map of USA and ORANGE COUNTY**

ORANGE COUNTY, CA

Population (2010): 3,010,232

Area: 791 sq mi

Median home value: \$537,600

Median Household Income: \$75,566

Awarded \$21,550,138 in NSP funding (Orange County and City of Santa Ana)

Source: United States Census Bureau State and County Quick Facts

Narrator: Orange County is a sprawling, affluent county outside of Los Angeles with a very high cost market. There is a huge demand for affordable housing for low and moderate-income residents who work in the county but have been priced out.

Karla Lopez del Rio, Vice President, Director of Community Building, NeighborWorks Orange County: The foreclosure crisis in Orange County did affect us. We thought that we were too strong for the foreclosures to actually hit, but it did hit us.

IMAGERY OF MAP

Darker blue indicates higher level of foreclosure risk

Karla Lopez del Rio: We just had such big geography so the strategy of how to cover geography was through creating a consortia.

2011 CONSORTIUM MEETING

Karla Lopez del Rio: One lead which was us and then five additional partners.

Sound up on the meeting: "Today are holding a consortium meeting for Neighborhood Stabilization Program 2."

STRATEGY: Utilize local expertise

Karla Lopez del Rio: They knew their local markets the best so whenever we had properties that came out in their zip codes or in their price ranges they would be able to address those issues faster than us.

Karla Lopez del Rio: Orange County is known for its high priced markets. It is also very competitive.

IMAGERY OF HIGHER PRICED NEIGHBORHOODS

Karla Lopez del Rio: In recent years, we have seen a great influx of investor dollars: big corporations or big conglomerates that can buy homes, up to 300 or 400 homes at a time, and really push out the small buyers.

Karla Lopez del Rio: With the consortium members' help and the NCST help, we were able to get a wide range of different housing options in different parts of the county which gave our families the ability to move closer to work or enjoy amenities that they might not had in the past, we're really talking about spending time with your kids, participating in their school, just being able to enjoy your community rather than spend hours and hours on the freeway.

SHOTS OF TRAFFIC

LOUIS & ALEJANDRA CHAVEZ, New homeowners

Alejandra Chavez: The NeighborWorks program offered us the opportunity to stay close to the babysitter, my Mom's house, and our work. Before we bought this house we were living at my parents house for about five years. There were 7 adults and 1 child so it as really crowded.

Louis Chavez: So we found the NeighborWorks home ownership program and so we started going through their process. We were guided on how to become homeowners. Homeownership means to me, it's a lot, it's taking a lot of pride to owning your own home, having my own piece of land where I can go to, rest, be with my family and enjoy just time.

Alejandra Chavez: Growing up for me was hard. My Mom was a single Mom, 3 kids. I had to move from place to place. From school to school. And I didn't want that for my daughter and my son. So this is just amazing how we got to have a home and be stable here.

Karla Lopez del Rio: The NSP funding gave us the opportunity to leverage a lot of the partnerships, or strengthen some of the partnerships that we had already going. Some of these were at the state, cities, financial institutions.

STRATEGY: Leverage limited funds through partnerships

Karla Lopez del Rio: We also grew our partnerships with our non-profit partners in housing and related fields to housing. One great example is Hope Builders whom we hired for more than 30% of our projects through the NSP properties.

JOHN RAYA, Director of Business Development, HOPE BUILDERS:

Hope Builders provides the construction services that are necessary for the Neighborhood Stabilization Program as we do that through providing jobs to young men, building their resume, but more importantly building their confidence on being able to sustain themselves.

John Raya: The young people come from a variety of backgrounds but all typical in that they have had some challenges and struggles in their life. Some through the legal system and others simply because they didn't have the skill sets they needed to get through the educational system.

JESSIE LAZARRO: This job has already changed my life. I had a dead end job going on and I came to Hope Builders and hope that I can move up and learn new things. Maybe find a job expanding my knowledge in that trade and hopefully moving up.

TRANSITION TO THE CITY OF SANTA ANA

SANTA ANA, CA

Population (2010): 324, 528

Area: 27 sq mi

Median Home Value: \$343,200

Median Household Income: \$54,387

Awarded \$17,259,264

Source: United States Census Bureau State and County Quick Facts

IMAGERY OF THE CHALLENGING, DENSE HOUSING STOCK, NEIGHBORHOODS

Nathalie Verlinich, Housing Programs Analyst, City of Santa Ana

The city of Santa Ana is a very dense city here in Orange County. We have a much older housing stock compared to some other cities in the county And because of that, we do have some illegal additions and conversions that is very prevalent within the city along with some code enforcement issues.

CHALLENGE: Illegal additions and code enforcement issues

Nathalie Verlinich: We were fortunate as a city to have a multi-family intermediary with CNC Development and Orange Housing Development Corporation and they identified a blighted, qualified property near our train station, which is a regional hub.

CHALLENGE: Limited multi-family foreclosed stock

TRANSITION TO TERRACES AT SANTIAGO

Todd Cottle, C&C Development, LLC: The issue in Orange County, like the last downturn, we didn't have a huge population, or pool of multifamily or vacant properties that were foreclosures. There still were properties out there, but opening it up through a property tax default just opened up additional opportunities to go out and to acquire.

STRATEGY: Maximize impact with strategic location

Todd Cottle: So one of the benefits of the Terraces at Santiago's location when we first identified it was that it was part of an overall planning effort that the city of Santa Ana was doing. We were about two blocks away from the train depot, and the city of Santa Ana was developing an all-encompassing, specific plan for the area of which we were the first development that came out of that specific plan.

IMAGERY OF THE TERRACES – PROPERTY, LOCATION, NEAR TRAIN STATION, NEAR GROCERY STORE

Vance Graham, AIA, Principal, Bassenian/Lagoni: The most significant design challenge here was probably trying to create a friendly building that had a sense of security about it as well.

DETAILS OF THE TERRACES AS VANCE THE ARCHITECT TALKS ABOUT THE DESIGN FEATURES.

Vance Graham: Getting this level of craftsmanship on an affordable project is really rare. We had the good fortune of working with a partnership that allowed us to pull off details like this.

Vance Graham: It's almost impossible to see but this is actually a solar project. We took great care in hiding the solar panels. Down below you can see that we've got this play structure in a very secure area for the children. It's good for the parents to be able to let their kids go out and play and they know that they're in a safe, secure environment.

Corrina Hernandez, New homeowner: Where I used to live before I was paying \$1700 dollars a month for a 2 bedroom, 2 bath and right now I am paying \$1035 for a 3 bedroom, 2 bath. Everything is brand new, appliances, playground, we are close to markets, the train station is really close by we can walk to it actually. It's just wonderful, we love it.

Nathalie Verlinich: The NSP program has been very beneficial for the city of Santa Ana. Not only has it improved the housing stock here the in the city, but it also has provided

housing opportunities for low income and moderate-income residents that otherwise wouldn't have had the opportunities.

Karla Lopez del Rio: The reason why we all get up to work is because we want to see families have a space where they can thrive, and have the space be a place where not only their families will grow, but their communities will grow.

For more information about Orange County, CA:

nhsoc.org

hopebuilders.com

santa-ana.org

c-cdev.com

ohdcorp.com

For more information about neighborhood revitalization:

neighborworks.com

nhc.org

enterprisecommunity.org

nlihc.org

habitat.org

To learn about other NSP case studies:

hudexchange.info/nsp