

Rialto City Council approves purchase of foreclosed fourplex for housing project

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RIALTO - In an ongoing effort against blight and crime, the City Council on Tuesday night approved the purchase of a foreclosed fourplex to be developed into affordable housing.

In a 3-0 vote, the council approved the \$170,000 purchase of the property at 360 W. Jackson St., which was built in 1964 and is owned by Citi Mortgage Inc.

The city will use Neighborhood Stabilization Program funds awarded through the Housing and Urban Development Department to purchase the property.

The city's "Action Plan" includes \$1.36 million for the purchase, rehabilitation and rental program for households earning 50 percent or less of the area median income.

The property will be developed and then managed on an interim basis by Rancho Cucamonga-based Southern California Housing Resource and Development, which specializes in affordable housing projects.

In the last eight years the developer has completed nine acquisition rehabilitation affordable housing projects totaling more than 560 units. The developer recently completed a 2.7 million dollar makeover of the 68 unit Laurel Woods apartments in Fontana. The complex has been transformed into a family community.

It's the third such purchase for the City said Robb Steel, Economic Development Director. In June, the City's Housing Authority approved the purchase of four-plexes at 340 and 359 West Jackson. The City has made offers on other four-plexes in the area.

Councilman Joe Baca Jr. expressed concerns about ongoing crime in the neighborhood, imploring the management company to make sure to do the best they can to screen out people that we feel are not appropriate for the City of Rialto.

Steel assured the council, the neighborhood usually stays pretty rough until we get it into the rehab mode, he said

Mayor Grace Vargas was absent for the vote.

Councilman Ed Palmer abstained from the vote citing a conflict of interest because he has a relationship with a broker.

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In Rialto, which was awarded about \$5.5 million, economic development director Robb Steel said officials are purchasing both homes and apartments. Earlier this month, Rialto's City Council approved the \$170,000 purchase of a foreclosed four-plex on West Jackson Street.

Steel said Rialto has had previous success in rehabilitating a neighborhood, citing the conversion of the once-feared Willow-Winchester area into the Citrus Grove apartment community.

"We cleared up the neighborhood significantly," Steel said.