

Rancho Cucamonga Developer Jeff Burum is a Man of Contrasts

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He is a champion of affordable housing and a builder of luxury homes. He and his companies give generously to charities and donate heavily to elect political candidates he favors and unseat those he doesn't. In the business arena, he is a tough negotiator and driven competitor. But he also is someone who provides lavish gifts to friends and others who help him and his causes.

People long associated with Burum describe him as a self-made businessman with a passion for affordable housing, a clever for-profit developer who successfully built on land that others shied from, and a fearless person who is dogged in pushing his agenda.

He has nimbly adjusted with the economic trends, founding Diversified Pacific, a for-profit home building company, in anticipation of the last real estate boom and then winding down faster than many of his competitors when the market began to tank.

In the middle of a recession, Burum tapped his friends and associates last year to raise \$60 million to invest in foreclosed and bargain-priced real estate. So far the fund has taken financial control of land that could accommodate 1,600 residential lots in Riverside, San Bernardino and Orange counties.

Burum, a Republican, has given millions of dollars in campaign contributions to federal and state lawmakers, San Bernardino County supervisors, local city council members and political action committees.

More than two dozen charities throughout Southern California have benefited from his gifts, including a scholarship fund and an education program for government officials at his alma mater Claremont McKenna College.

"He has a vision. He has energy and he can make things happen," said Conrad Egan, executive director of the national Millennial Housing Commission, which Congress created in 2000 to report on affordable housing. Burum served on the commission as a national expert.

But Burum's largesse also has led to controversy.

Housing passion

Burum, 46, was born in Maryland and moved to California in the 1980s to attend Claremont McKenna College. His friend San Bernardino County Supervisor Paul Biane said Burum's high school grades earned him a scholarship there. Burum, who speaks Mandarin, graduated in 1985 with a degree in international relations and moved to Rancho Cucamonga to begin working in the development business.

"Rancho was the best affordable community I could find," Burum said in a recent interview.

Burum has called the city home ever since. He and his wife have two children. Property records

show they own a second home in Running Springs, in the San Bernardino Mountains.

Burum said he made a good living working in the private development business in the late 1980s. But, with the housing market taking a downward turn, he said he decided it was time to take a hiatus and give back to the community.

He volunteered in 1990 as a census worker counting migrant workers living in camps in Rancho Cucamonga.

"They wanted mostly males, because we had to go to the camps at night," Burum recalled. He saw the conditions people lived in. He didn't like it.

Burum in 1991 founded the nonprofit Southern California Housing Development Corp. He began pushing his vision: Projects had to provide quality affordable housing and community centers where residents could obtain onsite job training, day care and other social services.

He regularly attended public meetings to voice his concerns over affordable housing. A frequent library visitor, he read all he could about the Department of Housing and Urban Development and its regulations, he said. He pointed out when government wasn't following its own affordable housing rules.

"I became the housing guy," said Burum as he sat in his Rancho Cucamonga office recently, dressed in a vintage striped bowling shirt.

Such persistence led the federal Resolution Trust Corp. to tap Burum's nonprofit group as an adviser in California.

The trust corporation, set up to dispose of homes repossessed in the savings-and-loan crisis, had affordable housing requirements.

Southern California Housing was its adviser from 1992-1997, helping to identify homes that could serve as affordable housing.

Burum also pushed hard for local cities to give Southern California Housing a chance to directly revamp housing.

Burum, then in his late 20s, said he made pitch after pitch to cities throughout the region for affordable housing projects.

"No one bit, " Burum recalled. "They thought this young guy couldn't pull off the grand vision."

Rialto finally decided in 1992 to give Burum a chance, asking him to revamp a rough area of fourplexes.

Burum recalled how gang members fired bullets into the house next door to his project to send a message.

Four years later, flanked by then-Rep. George E. Brown Jr., D-San Bernardino, Burum received a national award for the turnaround of the apartments.

In another Rialto neighborhood one afternoon in early April, teens congregated at a community learning center that is part of Citrus Grove, once-dilapidated condominiums that Burum's affordable housing company gutted, restored and reopened in October as a 152-unit apartment complex. The project cost \$37 million.

Christopher Stewart, an 18-year-old volunteer who teaches hip-hop dancing at the center, said before the community was renovated, he and his brother lived there with their grandmother. Gang members used to hang out in the streets, and gunshots could be heard frequently. "I used to be scared to take out the trash," he said.

Now a gate secures the neighborhood of tidy tan apartment buildings, a tot lot and community center. Trees have been thinned to discourage criminal activity, and bright new landscaping has been planted.

"This is way different," said Stewart, as he glanced up the street where he once lived. "It still amazes me when I come here."

Building on his success, Burum eventually took his nonprofit affordable housing enterprises national, creating National Community Renaissance.

The company owns or is developing more than 10,000 apartments, most in Southern California but also in Texas, Arkansas, Florida, Colorado and New Jersey. Burum last year hired Orlando J. Cabrera, former assistant secretary for public and Indian housing in the Department of Housing and Urban Development, to be the company's chief executive and run its day-to-day operations.

COLONIES PARTNERS

By the late 1990s, Burum was ready to move back into the for-profit development business, predicting a rebound ahead for the then-depressed Inland housing market.

He became a co-managing member of Colonies Partners, which took over a stalled development project in Upland in 1997. The following year, he co-founded a new homebuilding company, Diversified Pacific Development Group.

Matt Jordan, 56, said he was a partner in an Ontario accounting firm in the late 1990s when he met Burum through the Inland Empire chapter of the Young Presidents Organization. Burum recruited him into the new venture.

They decided to look for a market niche that was underserved in San Bernardino and Riverside counties and chose high-end, executive housing. Some sold for well over \$1 million at the peak of the market.

Jordan, now co-owner and day-to-day manager of Diversified Pacific, said Burum is a strategic thinker.

"He has a good feel for trends and how a piece of land will lay out in the future. It is a gift I don't have," Jordan said.

Steve Johnson, with Metro Study, a real estate consulting firm that has done work for Diversified Pacific, said Burum "has a very good eye at interpreting what the consumer wants at the high end of the market."

He said he has seen Burum tweak architectural drawings by raising a ceiling or expanding counter space or repositioning windows to improve views.

Randall Lewis, of the Lewis Group of Companies, has known Burum for more than a decade. Burum and his wife have long been active in Rancho Cucamonga civic and charity causes, Lewis said.

Lewis said he tapped Burum to join him and others in an alliance to compete for the right to develop 1,200 acres of surplus county land near Rancho Cucamonga.

"He has been involved in some complex development projects, including the Colonies in Upland, and has been successful in solving many difficult problems such as grading, drainage and working with complicated pieces of land."

Burum has built a powerful network that supports his causes, Alexander said. "He has associates and organizations and political connections capable of providing power behind political campaigns. It is a conglomerate of money and influence."

Upland Councilman Ken Willis, who has received campaign donations from Burum, said the developer's sharp presentations contribute to his success.

Burum made a compelling case for the Colonies project before the Upland City Council and agreed to make changes to prevent flooding and groundwater pollution.

"He is very intelligent. He is very methodical. He certainly has a presence when he stands before a group," Willis said.