

Grantee: Modesto, CA

Grant: B-09-LN-CA-0053

April 1, 2010 thru June 30, 2010 Performance Report

Grant Number:

B-09-LN-CA-0053

Grantee Name:

Modesto, CA

Grant Amount:

\$25,000,000.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Plan Description:**Recovery Needs:****Obligation Date:****Award Date:**

02/11/2010

Contract End Date:

02/11/2013

Review by HUD:

Submitted - Await for Review

Overall**Total Projected Budget from All Sources****Total CDBG Program Funds Budgeted****Program Funds Drawdown****Obligated CDBG DR Funds****Expended CDBG DR Funds****Match Contributed****Program Income Received****Program Income Drawdown****This Report Period**

N/A

N/A

\$0.00

\$44,364.00

\$2,083,384.79

\$0.00

\$0.00

\$0.00

To Date

\$25,000,000.00

\$25,000,000.00

\$0.00

\$44,364.00

\$2,083,384.79

\$0.00

\$0.00

\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	99.00%	0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$0.00	\$0.00
Limit on Admin/Planning	\$2,500,000.00	\$44,364.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$2,500,000.00	\$2,500,000.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$6,250,000.00	\$7,500,000.00

Overall Progress Narrative:

In general, the City will use the NSP2 grant to buy and repair foreclosed and/or abandoned residential properties. Once the homes are ready, they will be rented or sold to income eligible households. Through this effort, the City expects to accomplish three major objectives: 1) stabilize the housing market in Modesto; 2) create jobs through the rehabilitation work; and 3) provide an opportunity for homeownership to many who might not have that opportunity otherwise. The actual purchase and rehabilitation of these properties will be done by an approved developer pool which includes both non-profit and for-profit developers.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
001, Admin	\$0.00	\$2,500,000.00	\$0.00
002, Acquisition and Rehab	\$0.00	\$15,000,000.00	\$0.00
003, Acquisition and Rehab below 50% AMI	\$0.00	\$7,500,000.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: 001 - AD

Activity Title: Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

001

Project Title:

Admin

Projected Start Date:

02/11/2010

Projected End Date:

02/11/2013

National Objective:

N/A

Responsible Organization:

City of Modesto

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$2,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$2,500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$44,364.00	\$44,364.00
Expended CDBG DR Funds	\$44,364.00	\$44,364.00
City of Modesto	\$44,364.00	\$44,364.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Oversight of Administration and planning of the Neighborhood Stabilization Program (NSP2).

Location Description:

10th Street Place, 1010 10th Street, Suite 4300, Modesto, CA

Activity Progress Narrative:

In the past quarter, the City has hired an additional employee to assist with implementation of the NSP2 program. The person hired is a part-time employee who also works for the Housing Authority. She is responsible for pre-qualifying potential homebuyers and working with the housing counseling agencies to ensure that all potential buyers have completed the 8 hours of housing counseling. In the next quarter, staff anticipates bringing on additional clerical staff to assist with program documentation related to environmental requirements, acquisition loans, rehab loans, and other related activities. There has been \$54,540.69 expended to date in this activity.

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources**Amount**

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	002 - AR Developers
Activity Title:	Acquisition and Rehab Developers

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

002

Project Title:

Acquisition and Rehab

Projected Start Date:

02/11/2010

Projected End Date:

02/11/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Modesto

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$10,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$10,500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$2,039,020.79	\$2,039,020.79
City of Modesto	\$2,039,020.79	\$2,039,020.79
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Developers (both for profit and non-profit) will utilize these funds to purchase and rehabilitate 100 foreclosed/abandoned residential properties. While it may not be possible to resell all of the homes purchased under this activity, the major focus of this program will be to spur home ownership for those at or below 120% of the area median income. The incentives and income verification process that will accompany this activity will ensure that qualifying low income households receive the best possible home while still allowing them to live within their means.

Location Description:

10th Street Place, 1010 10th Street, Modesto CA

Activity Progress Narrative:

A Request for Proposals was issued in March 2010. As a result, 13 new developers were added to the pool of qualified developers from the NSP1 program. All developers attended a mandatory workshop on June 11, which outlined the program parameters. Similar to NSP1, property acquisitions must be approved by a sub-committee of the City's Citizens Housing & Community Development Committee. The first sub-committee meeting was held on June 17, 2010. Committee meetings are now scheduled every week to review properties.

There have been 56 properties approved by the sub-committee thus far with \$8,174,041.56 budgeted for those properties. Staff anticipates that many of these will close escrow and begin rehabilitation work in the next quarter. In addition, the sub-committee approved over 40 properties on July 1, 2010 with anticipated loans to total over \$5.8 million dollars. Based on the response from Developers thus far, Staff does not anticipate any issues with expending the \$10.5 budgeted for this activity.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/100

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	002 - AR Special Needs
Activity Title:	Residents with Special Needs

Activity Category:

Acquisition - general

Project Number:

002

Projected Start Date:

02/11/2010

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Rehab

Projected End Date:

02/11/2013

Responsible Organization:

Stanislaus Community Assistance Project (SCAP)

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$4,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$4,500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Stanislaus Community Assistance Project (SCAP)	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

In this project, the City will partner with the Stanislaus Community Assistance Project (SCAP) to acquire and rehab 25 foreclosed and abandoned homes to help services those with mental health or substance abuse issues and will target those at or below 120% of the AMI.

SCAP has a history of developing supportive housing and assisting persons with disabilities. This housing will provide a place where the participants can focus on addressing the problems they face in order to become stable participating members of our community.

Location Description:

Properties located within Modesto census tracts identified in the NSP2 Program.

Activity Progress Narrative:

During this quarter, SCAP entered into a purchase agreement to acquire seven foreclosed properties for a combined budget of \$4,198,110. Of these properties, 221 E. Coolidge is in escrow and estimates to close escrow the second week of July. Coolidge is a 30 unit apartment building purchased for \$1,465,200. The acquisition and rehab budget for this property is \$2,495,950 . Rehab is expected to begin in the next quarter.

The remaining six properties are expected to close escrow in the next quarter. Until these properties are rehabbed and tenants in place, it will not be possible to determine whether the property will fall within this Activity or the Housing Assistance to Residents with Special Needs Activity for those at or below 50% of the area median income.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/25

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number:	003 - LH 25% EFHY
Activity Title:	LH 25% Emancipated Foster and Homeless Youth

Activity Category:

Acquisition - general

Project Number:

003

Projected Start Date:

02/11/2010

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition and Rehab below 50% AMI

Projected End Date:

02/11/2013

Responsible Organization:

Housing Authority of the County of Stanislaus

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$6,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$6,000,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Housing Authority of the County of Stanislaus	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Utilizing the \$6 million award for this activity, the City will partner with the Housing Authority of Stanislaus County and other local non-profits to acquire and fix-up 40 foreclosed or abandoned properties. In turn, these properties will provide housing for emancipated foster and homeless youth who often have no other place to turn and end up on the streets, the victims of crime and abuse. This allows these young people a safe secure environment where they can focus on education and finding employment rather than just on bare subsistence. Additionally, this "basic needs housing" program will reduce the overall costs that society pays for services as it helps to avoid expenses associated with the use of mental health services, homelessness, use of welfare beyond TANF such as food stamps, substance abuse and second generation foster care are all risk factors that can be mitigated by providing housing, and giving youth a clean start.

Location Description:

1701 Robertson Road, P.O. Box 581918 Modesto, CA 95358

Activity Progress Narrative:

Staff continues to discuss this Activity with the Housing Authority of Stanislaus County (HA) and other local non-profits about the best way to move this Activity forward. The primary issue is how to ensure sustainability over the long-term. Several meetings have been held with all stakeholders and in the next quarter, staff anticipates developing an MOU or similar documents with the appropriate stakeholders. There have been no program funds expended in this Activity to date.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/40

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

Grantee Activity Number: 003 - LH 25% Special Needs

Activity Title: LH 25% Special Needs

Activity Category:

Acquisition - general

Project Number:

003

Projected Start Date:

02/11/2010

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition and Rehab below 50% AMI

Projected End Date:

02/11/2013

Responsible Organization:

Stanislaus Community Assistance Project (SCAP)

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$1,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Stanislaus Community Assistance Project (SCAP)	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This activity partners with the 002 AR Special Needs activity. In this area of funding, the City will partner with Stanislaus Community Assistance Project (SCAP) to buy and rehabilitate 10 foreclosed and abandoned homes to help service those with mental health or substance abuse issues at or below 50% AMI.

Location Description:

Properties located within Modesto census tracts identified in the NSP2 Program

Activity Progress Narrative:

As noted, in the Activity for Housing Assistance to Residents with Special Needs (\$4.5 million), SCAP has already has entered into a purchase agreement to acquire seven foreclosed properties for a combined budget of \$2,495,950. Until these properties are rehabbed and tenants in place, it will not be possible to determine whether the property will fall within this Activity or the Housing Assistance to Residents with Special Needs Activity for those below 120% of the area median income.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/10

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources
