

**Grantee: Florida**

**Grant: B-08-DN-12-0001**

## July 1, 2020 thru September 30, 2020 Performance Report

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| <b>Grant Number:</b><br>B-08-DN-12-0001            | <b>Obligation Date:</b><br>03/19/2009            | <b>Award Date:</b>                             |
| <b>Grantee Name:</b><br>Florida                    | <b>Contract End Date:</b><br>03/19/2013          | <b>Review by HUD:</b><br>Reviewed and Approved |
| <b>Grant Award Amount:</b><br>\$91,141,478.00      | <b>Grant Status:</b><br>Active                   | <b>QPR Contact:</b><br>Kristina Seymour        |
| <b>LOCCS Authorized Amount:</b><br>\$91,141,478.00 | <b>Estimated PI/RL Funds:</b><br>\$40,000,000.00 |  |
| <b>Total Budget:</b><br>\$131,141,478.00           |  |  |

### Disasters:

#### Declaration Number

No Disasters Found

### Narratives

#### Areas of Greatest Need:

The national foreclosure crisis has impacted families and communities as well as entire cities and states which are struggling to manage the abandoned and vacant properties resulting from foreclosure and subprime mortgages. These vacant and abandoned properties threaten the value of homeowners, invite crime, and discourage further investment. Foreclosures are having a multifaceted negative impact on communities and threaten to undermine strides made by local governments that have increased homeownership, lowered crime, and made communities healthy places to live. In addition, Florida's supply of affordable housing is diminishing and assistance to expand the supply must be provided in a way that is more cost effective. The lack of affordable housing is a significant hardship for many families, often preventing them from meeting their other basic needs. The NSP program requires that NSP funds be used to address foreclosure and abandonment in the "areas of greatest need." Florida has determined that the areas of greatest need, after taking into account the NSP funds to be distributed by HUD, are those CDBG entitlement and non-entitlement communities which did not receive NSP funds directly from HUD (see further discussion under B. (1) Distribution of Funds). Florida's greatest need determination is based on the limited availability of statewide data with which to identify greatest needs as defined by federal law and the short time allotted for states to submit and implement a plan for allocating and spending these funds. HUD determined that while data on foreclosures, subprime loans, and delinquencies are available from various private resources at county, zip code, and metropolitan levels, those sources have varying levels of coverage and transparency regarding how the data was collected and aggregated. HUD further determined that 75 percent of the variance between states on foreclosure rates can be explained by three variables (data sources) available from public data: 1) Office of Federal Housing Enterprise Oversight (OFHEO) data on decline in home values as of June 2008 compared to the peak value since 2000; 2) Federal Home Mortgage Disclosure Act (HMDA) data on percent of all loans made between 2004 and 2006 that are high cost; and 3) Federal Department of Labor data on unemployment rates in places and counties as of June 2008. Florida did consider and include the needs of the entire state and not just the areas not receiving an NSP allocation. Florida collaborated with the Florida Housing Finance Corporation, the Florida Housing Coalition, the Florida League of Cities, as well as the Governor's Office of Planning and Budgeting. It was determined that the HUD data and methodology was best suited for developing an allocation of greatest need in the short timeframe provided. No other statewide data source was determined to be suitable for use in the timeframe provided. Further, through stakeholder input and public feedback, it was determined that there was no consensus on what would be an alternative data source or methodology.

#### Distribution and and Uses of Funds:

Relative Need Through HUD's direct allocation of \$450 million to 48 entitlement communities, HUD has addressed some portion of the total need in those communities. By utilizing the same data and methodology as HUD for determining the extent of need, Florida's \$91 million distribution has attempted to address that same proportionate share of need for communities that were ineligible for direct HUD funding and for those communities that fell below HUD's minimum grant level of \$2 million. For example, the largest HUD direct-funded community in Florida received just over \$62 million. This \$62 million allocation does not address 100% of the need for that community. Therefore, Florida determined it was furthering the example set by HUD in allocating funds to areas of greatest need by attempting to address a comparable level of relative need for communities that were ineligible for direct HUD funding and for those communities that fell below HUD's minimum grant level. By doing so, Florida did consider and include the needs of the entire state and not just the areas that did not receive an NSP allocation from HUD. Florida determined that this distribution formula allowed for maximum consideration to metropolitan areas, metropolitan cities, urban areas, rural areas, low and moderate income areas, and other areas with the greatest need. Through Florida's NSP allocation, we are attempting to maximize the NSP dollars statewide in order to most effectively stabilize our neighborhoods and protect home values. Serving the Highest Concentration of Greatest Need The State of Florida is comprised of 67 counties. Florida's NSP distribution provides funding to numerous communities that are within the counties that also received direct funding from HUD, based on HUD's determination of greatest need. Specifically, a city (or cities) may receive state NSP funds that are geographically located within a county receiving HUD NSP funds. For



example, Florida allocates \$2,363,142 to the City of Daytona Beach within Volusia County and HUD has allocated a total of \$11,858,740 directly to Volusia County. Conversely, Florida allocates funding to counties in which HUD has also allocated NSP funding to a municipality within the geographic boundaries of a county. A specific example is St. Lucie County, in which Florida allocates \$6,069,997 to St. Lucie County and the City of Fort Pierce; whereas HUD allocates a total of \$13,523,132 to the City of Port St. Lucie within St. Lucie County. Overall, Florida determined that 26 communities would receive funding under the State's NSP program. Of these 26 communities, 10 are either counties or within counties that also received direct funding from HUD, based on HUD's determination of greatest need. \$40,661,761 (or 46%) of Florida's total NSP distribution to local government is allocated to or within counties already determined by HUD to be areas of greatest need. Based on this fact, it is clear that Florida has demonstrated that it is funding the areas of greatest need within the state in accordance with both HERA and HUD's NSP Federal Notice. Florida is also providing Attachment B as further demonstration of this point. Attachment B is a map of Florida identifying both HUD and State NSP funds by County. With Attachment B and the examples above, it is clear that both HUD and Florida NSP funds are being allocated to the areas in the state with the highest concentration of greatest need. If the communities funded with the state's allo

**Distribution and and Uses of Funds:**

ity to obligate and spend these funds in a timely fashion, HUD-funded communities that demonstrate the capacity to obligate and spend funds quickly and effectively are eligible to receive funds recaptured from those communities initially funded by Florida. In addition, program income funds may also be re-distributed to HUD direct-funded communities. B. DISTRIBUTION AND USES OF FUNDS (1) DISTRIBUTION OF FUNDS Florida's allocation methodology targeted funds to give priority emphasis and consideration

**Definitions and Descriptions:**

**Low Income Targeting:**

**Acquisition and Relocation:**

**Public Comment:**

| Overall  | This Report Period | To Date          |
|--|--------------------|------------------|
| <b>Total Projected Budget from All Sources</b> | N/A                | \$125,780,843.44 |
| <b>Total Budget</b>                            | \$0.00             | \$125,780,843.44 |
| <b>Total Obligated</b>                         | \$0.00             | \$125,658,915.48 |
| <b>Total Funds Drawdown</b>                    | \$0.00             | \$109,570,593.65 |
| <b>Program Funds Drawdown</b>                  | \$0.00             | \$90,483,474.07  |
| <b>Program Income Drawdown</b>                 | \$0.00             | \$19,087,119.58  |
| <b>Program Income Received</b>                 | \$0.00             | \$23,046,648.74  |
| <b>Total Funds Expended</b>                    | \$0.00             | \$109,944,853.54 |
| <b>Most Impacted and Distressed Expended</b>   | \$0.00             | \$0.00           |
| <b>Match Contributed</b>                       | \$0.00             | \$0.00           |

**Progress Toward Required Numeric Targets**

| Requirement   | Target          | Actual          |
|---|-----------------|-----------------|
| <b>Overall Benefit Percentage (Projected)</b>             |                 | 0.00%           |
| <b>Overall Benefit Percentage (Actual)</b>                |                 | 0.00%           |
| <b>Minimum Non-Federal Match</b>                          | \$0.00          | \$0.00          |
| <b>Limit on Public Services</b>                           | \$13,671,221.70 | \$26,174.40     |
| <b>Limit on Admin/Planning</b>                            | \$9,114,147.80  | \$9,782,437.90  |
| <b>Limit on Admin</b>                                     | \$0.00          | \$9,782,437.90  |
| <b>Most Impacted and Distressed Threshold (Projected)</b> | \$0.00          | \$0.00          |
| <b>Progress towards LH25 Requirement</b>                  | \$32,785,369.50 | \$40,849,427.59 |



## Overall Progress Narrative:

On July 30, 2020 HUD approved the revised PI transfer request for Bradenton. The original amount of \$535,122 was reduced by \$413,194.04. Making the total of the transfer now \$121,927.96. The activities associated with this request is Bradenton 14A-NSP Rehab SF Rentals 120% and Bradenton 14A-Housing Rehab. Bradenton has indicated that the PI was transferred into IDIS. Cleanup for grant closeout.

## Project Summary

| Project #, Project Title        | This Report            | To Date                |                        |
|---------------------------------|------------------------|------------------------|------------------------|
|                                 | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| Local Admin 21A, Local Admin    | \$0.00                 | \$7,485,844.22         | \$5,352,325.95         |
| NSP #1, Homeownership -120% AMI | \$0.00                 | \$50,540,269.81        | \$29,797,822.29        |
| NSP #2, Redevelopment           | \$0.00                 | \$3,594,111.68         | \$2,955,944.55         |
| NSP #3, Housing Finance         | \$0.00                 | \$4,271,513.86         | \$2,865,742.65         |
| NSP #4, Land Banks              | \$0.00                 | \$821,903.81           | \$710,507.27           |
| NSP #6, Rental -120% AMI        | \$0.00                 | \$20,347,418.47        | \$15,091,381.54        |
| NSP #7, Rental -50% AMI         | \$0.00                 | \$40,832,166.96        | \$30,609,749.82        |
| NSP #8, State Administration    | \$0.00                 | \$3,127,354.06         | \$3,100,000.00         |

## Monitoring, Audit, and Technical Assistance

| Event Type                                   | This Report Period | To Date |
|--|--------------------|---------|
| Monitoring, Audits, and Technical Assistance | 0                  | 63      |
| Monitoring Visits                            | 0                  | 63      |
| Audit Visits                                 | 0                  | 0       |
| Technical Assistance Visits                  | 0                  | 0       |
| Monitoring/Technical Assistance Visits       | 0                  | 0       |
| Report/Letter Issued                         | 0                  | 63      |

