

Grantee: State of Tennessee

Grant: B-08-DN-47-0001

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-DN-47-0001

Obligation Date:**Grantee Name:**

State of Tennessee

Award Date:**Grant Amount:**

\$49,360,421.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

DEFINITIONS The following definitions apply to the NSP program even if they are used differently in the CDBG program: A. ABANDONED. A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days. 3 B. BLIGHTED STRUCTURE. A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. C. CURRENT MARKET APPRAISED VALUE. The current market appraised value means the value of a foreclosed upon home or residential property that is established through an appraisal made in accordance with the appraisal requirements of the Uniform Relocation and Property Acquisition Act at 49 CFR 24.103 and completed within 60 days prior to an offer made for the property by a subrecipient, grantee, developer or individual homebuyer. D. FORECLOSED. A property has been foreclosed upon at the point that, under state or local law, the mortgage or tax foreclosure is complete, and title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law. 1.2 ELIGIBLE APPLICANTS A. Units of local government including CDBG entitlement cities and Small Cities jurisdictions B. Non]profit 501(c)(3) organizations that have experience in developing, implementing and administering projects similar to NSP eligible activities and who demonstrate the financial and organizational capacity to accomplish the project. [Note: Unlike other federal programs, entitlement jurisdictions in Tennessee; namely, the city of Memphis, Nashville/Davidson County, the city of Knoxville, the city of Chattanooga and Shelby County, which are receiving a direct NSP allocation are also eligible to apply for State NSP funding.] 1.3 ELIGIBLE ACTIVITIES The purpose of NSP is to stabilize neighborhoods by purchasing and redeveloping abandoned and foreclosed properties. In addition, each NSP]funded activity must also be an Entitlement CDBG]eligible activity and meet a CDBG national objective. The following are the five eligible activities under HERA: A. Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft]seconds, loan loss reserves, and shared]equity loans for low and moderate income homebuyers. This includes activity delivery costs as an eligible activity. B. Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent or redevelop such homes and properties. This also includes relocation costs, direct homeownership assistance and housing counseling. C. Establish and operate land banks for homes and residential properties that have been foreclosed upon. The land bank may not hold the property for more than 10 years without obligating the property for a specific, eligible redevelopment of that property in accordance with NSP requirements. D. Demolish blighted structures. E. Redevelop demolished or vacant properties as housing, including the new construction of housing to redevelop demolished or vacant properties.

Recovery Needs:

1.4 INELIGIBLE ACTIVITIES

- A. Activities ineligible under the CDBG program;
- B. Foreclosure prevention activities;
- C. Demolition of structures that are not blighted;

- D. Purchase of residential properties and homes that have not been foreclosed upon; and
- E. Pay for any cost that is not eligible under NSP.

2. NSP REQUIREMENTS

2.1 INCOME TARGETING

Unlike the CDBG program, NSP requires that all of the funds be used with respect to individuals and families whose income does not exceed 120% of area median income.

A. "Low income" means a household whose income does not exceed 50% of the area median income, adjusted for family size;

B. "Moderate income" means a household whose income exceeds 50% of the area median income, adjusted for family size, but does not exceed 80% of the area median income, adjusted for family size; and,

C. "Middle income" means a household whose income does not exceed 120% of the area median income, adjusted for family size.

2.2 NATIONAL OBJECTIVE

For the purposes of NSP only, an activity may meet the low] and moderate] income national objective if the assisted activity:

A. Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income (abbreviated as LMMH);

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$49,360,421.00
Total CDBG Program Funds Budgeted	N/A	\$49,360,421.00
Program Funds Drawdown	\$10,000.00	\$10,000.00
Obligated CDBG DR Funds	\$948,352.11	\$948,352.11
Expended CDBG DR Funds	\$948,352.11	\$948,352.11
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$8.33
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$7,404,063.15	\$0.00
Limit on Admin/Planning	\$4,936,042.10	\$10,000.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

During 3rd Quarter 2009, 65% of the grantee Environmental Reviews are completed and/or released for funding. Grantee acquisition of eligible properties in high need census tracts has begun statewide, including

properties in the 25% set-aside for households at or below 50 % of median income. Numerous appraisals are underway statewide as offers are being placed on properties. Some grantees have begun work-write-ups for any needed rehab repairs on acquired residential structures, some are also preparing the "bid process" for rehab contractors. Actual rehab work will begin during the 4th quarter 2009. THDA staff have reviewed the NSP1 program progress with the THDA Board at the July '09 and September '09 meetings. It should be noted that the State of Tennessee is implementing a new financial system during this quarterly time period which has resulted in actual posting delay of draws on the DRGR system, even though the activities are obligated and THDA expended. These State system issues should be resolved by 4th quarter 2009 and will be reflected on the DRGR system as draws proceed.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
TN-25%CoC-1, 25% SET-ASIDE CoC	\$0.00	\$0.00	\$12,340,105.00	\$0.00
TN-ACTIVITY A-1, ACTIVITY "A"	(\$100,000.00)	\$0.00	\$150,000.00	\$0.00
TN-ACTIVITY B-1, ACTIVITY "B" Acq/Rehab	\$4,080,390.00	\$0.00	\$25,778,633.00	\$0.00
TN-ACTIVITY D-DEMO-1, ACTIVITY "D"	\$316,238.00	\$0.00	\$2,339,668.00	\$0.00
TN-ACTIVITY E-1, ACTIVITY "E" ReDEV	(\$716,027.00)	\$0.00	\$6,283,973.00	\$0.00
TN-ADM-TOT-1, TN-ADM-TOT	(\$2,468,000.00)	\$10,000.00	\$2,468,042.00	\$10,000.00

Activities

Grantee Activity Number: ADMINISTRATION-THDA

Activity Title: Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

TN-ADM-TOT-1

Project Title:

TN-ADM-TOT

Projected Start Date:

07/01/2009

Projected End Date:

03/14/2013

National Objective:

N/A

Responsible Organization:

TN HOU DEV AGENCY-THDA

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$2,468,041.75
Total CDBG Program Funds Budgeted	N/A	\$2,468,041.75
Program Funds Drawdown	\$10,000.00	\$10,000.00
Obligated CDBG DR Funds	\$10,000.00	\$10,000.00
Expended CDBG DR Funds	\$10,000.00	\$10,000.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Location Description:

Activity Progress Narrative:

State THDA administration, exempt activity under environmental.

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: NSP-09-049

Activity Title: Buffalo Valley Regular Round

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

TN-ACTIVITY B-1

Project Title:

ACTIVITY "B" Acq/Rehab

Projected Start Date:

07/01/2009

Projected End Date:

10/01/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

Buffalo Valley, Inc.

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$938,108.00
Total CDBG Program Funds Budgeted	N/A	\$938,108.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$154,303.10	\$154,303.10
Expended CDBG DR Funds	\$154,303.10	\$154,303.10
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquisition and rehabilitation of foreclosed houses located in high need census tracts to provide homeownership opportunities to income eligible households.

Location Description:

High need census tracts located in Franklin, Robertson, Sumner, and Trousdale Co. TN
Revised 09/15/09 to include high need tracts in Humphreys and Houston Counties TN

Activity Progress Narrative:

Buffalo Valley Regular Round completed their Tiered Environmental county reviews, Release of Funds and proceeded to complete the Site Specific Review and acquire foreclosed properties this quarter, 2 properties closed. Discounts were in excess of the NSP requirements. Properties will be rehab'd during the 4th quarter. Beneficiary information will be provided as properties are occupied.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	2	0/0	0/0	2/8
# of Households benefitting	0	0	0	0/2	0/6	0/8

Activity Locations

Address	City	State	Zip
113 Sloan Drive	Springfield	NA	37172
220 Western AVE	Hartsville	NA	38462

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: NSP1-09-015 A

Activity Title: Murfreesboro Reg Rd DPCC

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

TN-ACTIVITY A-1

Project Title:

ACTIVITY "A"

Projected Start Date:

07/01/2010

Projected End Date:

10/01/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Murfreesboro TN

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$150,000.00
Total CDBG Program Funds Budgeted	N/A	\$150,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$14,999.00	\$14,999.00
Expended CDBG DR Funds	\$14,999.00	\$14,999.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Provide down payment and closing cost for homeownership opportunities in high need census tracts to income eligible households.

Location Description:

City of Murfreesboro-Rutherford County TN eligible census tracts

Activity Progress Narrative:

City of Murfreesboro financing mechanism for downpayment assistance to income eligible homebuyers of foreclosed properties is exempt activity. The DP NSP Program is gearing up to assist approximately 10 homebuyers. Murfreesboro assisted the first family this quarter (3rd/09).

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	1	0/0	0/0	1/10
# of Households benefitting	0	1	1	0/0	1/10	1/10

Activity Locations

Address	City	State	Zip
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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: NSP1-09-038

Activity Title: Community Housing Partnership CHP

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

TN-ACTIVITY B-1

Project Title:

ACTIVITY "B" Acq/Rehab

Projected Start Date:

07/01/2009

Projected End Date:

10/01/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

Community Housing Partnership

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$403,555.00
Total CDBG Program Funds Budgeted	N/A	\$403,555.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$83,761.01	\$83,761.01
Expended CDBG DR Funds	\$83,761.01	\$83,761.01
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquire and rehab. foreclosed housing in high need census tracts for rental and homeownership opportunities for income eligible households.

Location Description:

Macon and Marshall Counties eligible census areas.
Revised 09/15/2009 to include high need census tracts in Coffee Co TN

Activity Progress Narrative:

Community Housing Partnership of Wm. Co. completed their Tiered Environmental County Review of eligible areas, Release of Funds, and Site Specific review and acquired one foreclosed property this quarter. Discount met the NSP requirement. Beneficiary information will be provided upon occupancy.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	1	0/0	0/0	1/4
# of Households benefitting	0	0	0	0/2	0/2	0/4

Activity Locations

Address	City	State	Zip
250 Tarpley Ave	Cornersville	NA	37047

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:	NSP1-09-25%013
Activity Title:	Buffalo Valley, Inc. CoC 25%

Activity Category:

Acquisition - general

Project Number:

TN-25%CoC-1

Projected Start Date:

07/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

25% SET-ASIDE CoC

Projected End Date:

10/01/2010

Responsible Organization:

Buffalo Valley, Inc.

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$3,086,946.25
Total CDBG Program Funds Budgeted	N/A	\$3,086,946.25
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$685,289.00	\$685,289.00
Expended CDBG DR Funds	\$685,289.00	\$685,289.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Acquire and rehab. foreclosed housing in high need census areas for rental to households at or below 50% AMI.

Location Description:

Counties of Bedford, Lawrence, Giles, Marshall, Trousdale, Sumner, Robertson, Maury, Montgomery, Lewis, Hickman, Perry, and Wayne high need census areas.

Activity Progress Narrative:

Buffalo Valley completed their Tiered Environmental Reviews for all their funded eligible area counties and was ready to proceed with foreclosure acquisitions after the Release of Funds, totalling 7 this quarter. This included conducting the Site Specific Reviews per address. The properties are a mix of foreclosures offered for sale by the FHA, VA and private lenders. Buffalo Valley has done an excellent job of getting discounts well above the required one percent. Rehab of the houses will begin during the 4th quarter. As the properties are occupied the beneficiary information will be completed in DRGR.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	7	0/0	0/0	7/28
# of Households benefitting	0	0	0	0/28	0/0	0/28

Activity Locations

Address	City	State	Zip
640 Mac ST	Shelbyville	NA	37130
142 Stonefield Circle	Shelbyville	NA	37130
485 Defeated Creek RD	Centerville	NA	37033
120 Oakdale ST	Shelbyville	NA	37130
123 Tanner Circle	Shelbyville	NA	37130
366 Lafayette Pt. Circle	Clarksville	NA	37042
591 Brady Drive	Clarksville	NA	37042

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

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