

Grantee: Virginia

Grant: B-08-DN-51-0001

April 1, 2021 thru June 30, 2021 Performance Report

Grant Number:

B-08-DN-51-0001

Obligation Date:**Award Date:****Grantee Name:**

Virginia

Contract End Date:**Review by HUD:**

Reviewed and Approved

Grant Award Amount:

\$38,749,931.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

LOCCS Authorized Amount:

\$38,749,931.00

Estimated PI/RL Funds:

\$56,000,000.00

Total Budget:

\$94,749,931.00

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

This is not a Disaster Grant. The DRGR Reporting System is being used to report and draw funds for the Neighborhood Stabilization Program.

Distribution and and Uses of Funds:

On March 16, 2016 the Action Plan was revised to account for reprogrammed funds and program income that was received for 3 projects that have been closed. Program income estimate was also increased in anticipation of future program income that, when received at project closeout will be moved into the Performance Pool Project.

\$890,657.20 in Cancelled/Program Income Funds moved into this activity are from the following Grantees:

Bristol-08-NSP-08: \$94,268.34 (\$46,620.33 PF + \$47,648.01 PI) Norfolk-08-NSP-

14: \$68,071.32 (\$1,937.85 PF + \$66,133.47 PI) Portsmouth-08-NSP-

06: \$728,317.54 (\$128,317.54 PF + \$600,000.00 PI)

On February 17, 2016 the Action Plan has been revised to adjust budget numbers due to project closeouts for Fairfax, Norfolk and Bristol and sweeping projected PI funds from Portsmouth which will be closed in the near future. These funds will be moved to the performance pool. Budget spreadsheet will follow under a separate cover. This budget revision request is paramount to the next changes we need to enter in order to sweep the funds from inactive Grantees to create a pool for the USDA acquisitions. +

Updated August 3, 2015: Substantial Amendment to the Virginia Neighborhood

Stabilization Program 1+(NSP1)+Action Plan Substantial Amendment to the Virginia Neighborhood

Stabilization Program 1+(NSP1)+Action Plan

The Virginia Department of Housing and Community Development will initiate the following changes to the administration and program activities through a proposed substantial amendment under the federal Neighborhood Stabilization Program (NSP), authorized under the Housing and Economic Recovery Act 2008 (HERA). Program guidance for NSP has been provided by the U.S. Department of Housing and Urban Development (HUD) in the Federal Register Notice of October 6, 2008, the NSP Bridge Notice of June 11, 2009, the NSP Policy Alert-Guidance on Amendment Procedures-Updated April 3, 2014, and other guidance releases.

The Virginia Department of Housing and Community Development has developed, implemented and managed the Virginia Neighborhood Stabilization Program (NSP1) since 2008. During this time the agency has continually modified its program to stay abreast of the fluid foreclosure market and distinct local characteristics that make up the Virginia Real Estate Market. The agency has remained proactive and aggressive in its approach to increasing the supply of quality affordable housing for Virginia residents of low, middle and moderate incomes. In order to continue the intent of the program and serve areas hardest hit by the foreclosure crisis a substantial amendment is needed to address the continued concerns of the Virginia foreclosed/abandoned/blighted real estate six years into the program. +

Expand the Virginia NSP1 Program to include 4+(A,B,D&E)+Eligible+Uses.

The Virginia Department of Housing and Community Development under 24 CFR 91.505 (a) Amendments to the plan (2) To carry out an activity, using funds from any program (including program income), not previously described in the action plan will expand the Virginia NSP1 program to include 4+of the 5+eligible+uses: (A)-

+Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential pr



operties, including such mechanisms as soft-second, loan-loss reserves, and shared-equity loans for low- and moderate-income homebuyer

Distribution and and Uses of Funds:

s. (B)-
 +Purchase and rehabilitate homes and residential properties that have been abandoned and/or foreclosed upon, in order to sell, rent or redevelopment success and properties. (D)-Demolish blighted structures (E)-
 +Redevelop demolished or vacant properties as housing
 Expand the Virginia NSP1 program target areas to include all localities within Virginia.
 The Virginia Department of Housing and Community Development under 24 CFR 91.505(a) Amendments to the plan (3) to change the purp

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$93,479,860.58
Total Budget	\$0.00	\$87,784,763.63
Total Obligated	\$0.00	\$74,797,056.59
Total Funds Drawdown	\$0.00	\$72,224,491.37
Program Funds Drawdown	\$0.00	\$37,402,638.99
Program Income Drawdown	\$0.00	\$34,821,852.38
Program Income Received	\$0.00	\$34,870,603.17
Total Funds Expended	\$0.00	\$72,019,993.74
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 5,695,096.95
Match Funds	\$ 0.00	\$ 5,695,096.95
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
CVHC	\$ 0.00	\$ 11,855,443.42
City of Norfolk	\$ 0.00	\$ 839,402.15
City of Portsmouth	\$ 0.00	\$ 1,705,551.17
City of Richmond	\$ 0.00	\$ 2,828,305.68
City of Suffolk	\$ 0.00	\$ 871,384.39
Commonwealth of Virginia ¹	\$ 0.00	\$ 10,258,097.27
Culpeper CDC	\$ 0.00	\$ 1,463,672.56
Fairfax County	\$ 0.00	\$ 1,000,000.00
Fauquier County	\$ 0.00	\$ 2,190,389.75
Franklin City	\$ 0.00	\$ 362,213.96
Loudoun County	\$ 0.00	\$ 2,807,030.33
Catholics For Housing	\$ 0.00	\$ 171,323.68
Northern Shenandoah Valley PDC	\$ 0.00	\$ 4,968,966.30
Pathways	\$ 0.00	\$ 778,173.12
People, Inc.	\$ 0.00	\$ 965,087.27



Virginia Beach CDC	\$ 0.00	\$ 2,340,834.00
Virginia Habitat for Humanity	\$ 0.00	\$ 9,974,582.81
Catholics for Housing	\$ 0.00	\$ 4,104,273.92
Chesapeake RHA	\$ 0.00	\$ 2,566,239.42
Chesterfield County	\$ 0.00	\$ 5,000.00
City of Alexandria	\$ 0.00	\$ 2,471,168.88
City of Hampton	\$ 0.00	\$ 4,627,404.30
City of Lynchburg	\$ 0.00	\$ 1,249,734.64
City of Newport News	\$ 0.00	\$ 1,615,714.72

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$ 5,695,096.95
Overall Benefit Amount	\$86,806,776.98	\$.00	\$.00
Limit on Public Services	\$5,812,489.65	\$.00	\$.00
Limit on Admin/Planning	\$3,874,993.10	\$7,934,472.47	\$6,237,399.76
Limit on Admin	\$.00	\$7,934,472.47	\$6,237,399.76
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$23,687,482.75		\$15,263,607.12

Overall Progress Narrative:

NSP1 DRGR 2nd quarter 2021 narratives

NSP1 continues to generate program income and still has a balance as of December 2019 of 1.3 million in the LOC. Prior to 2019 our previous Community Development Director had considered the option to wind the program down by halting acquisitions regardless of the balance of the LOC as of June 2020. This would have left DHCD returning the balance, which HUD and the T/A providers strongly discouraged.

Under new leadership, DHCD continues to monitor the balance of the LOC on a monthly basis. Our focus changed in early 2019 to continue the program until all LOC funds have been expended as directed by webinars and trainings provided by HUD and their T/A providers. DHCD updated our quarterly reporting in DRGR to reflect this change in all 4 quarters of 2019 and now in 2020.

DHCD will remain active under NSP1 and continue to spend down the LOC until the funds have been exhausted. Acquisitions will continue beyond June 2020.

Due to the pandemic we are all working in remote locations as of March 2020. We are working diligently to put processes in place in order to continue working on all programs. We did not have any remittances this quarter and we did not report program income. We anticipated returning to the office by late April 2021; however this has now been extended through the end of September 2021. Several of our Grantees have reduced hours or modified work days. We will begin working with those needing to complete their final financial reviews now that all processes are in place and we can schedule times based on their work hours.

Below is a list of Grantees that have already closed out, are in the process of closing out, and those that will remain active.

Closed out prior to 4th Quarter 2018

Loudoun
Fairfax
Norfolk
Fauquier
People/Bristol
Portsmouth
Virginia Beach CDC
Pathways/Petersburg
Culpeper
LNDF

Working with the HUD T/A consultant our office is in training to learn the complexities of closeout within DRGR under the Action Plan and Quarterly. Over the next several months DHCD will begin to complete these tasks in DRGR on the Grants that have already been closed out at DHCD; however NSP3 is taking top priority so that the entire NSP3 Grant can be closed out.

In Process of Being Closed Out

These Grantees have already had their programmatic final compliance review and reconciliation. They are in line to receive a final financial desktop review, once our fiscal department completes the final financial review and reconciliation the Grant will be ready to closeout in DRGR. Unsure of how the pandemic will affect timing as some of our Grantees have closed or sent their staff home, we are extending our deadlines for closeouts. These Grantees are in line to be closed out; however realistically we are looking at some time in 2021/2022 for closeout.

Franklin
Newport News
City of Suffolk
(CVHC) Central Virginia Housing Coalition (both grants) City of Fredericksburg/Stafford AND Spotsylvania County/ Caroline County



Active Grantees Narratives:

Chesapeake: The City of Chesapeake has acquired 16 properties to date and resold 16 properties. Chesapeake will be closing in 2021. A final compliance review was scheduled for late March 2020, however this has been canceled in light of the pandemic and we are looking to reschedule once processes are put into place. The virtual compliance review took place and we are in the process of completing the programmatic review and closeout.

Hampton- This Grantee has acquired 32 properties to date under NSP1. Hampton has sold 32 properties to date under NSP1. The Grantee viewed 2 additional properties this quarter and did not acquire the properties after being outbid on both. One property went \$35,000 over asking price.

Hampton is also a Grantee under DHCD's newest renovation program ARS (Acquire, Renovate, Sell). This will allow leveraged monies to be used with NSP.

Habitat- The Grantee has acquired 99 properties to date under NSP1. Habitat's Grant Manger is has returned from maternity leave, one home closed this quarter- (49 Monarch Drive, Sterling, VA) and the property still under contract is 1307 W Caroline Avenue, Crewe, VA - this is due to a cloudy title. We did schedule/ begin their NSP3 virtual compliance review, so several weeks out of this quarter were dedicated to NSP3 for this Grantee.

Habitat is also a Grantee under DHCD's newest renovation program ARS (Acquire, Renovate, Sell). This will allow leveraged monies to be used with NSP.

Performance Pool- The pool is being utilized by NSP1 Grantees that have exhausted their initial obligated funds and current program income balance. The pool was discussed in our action plan from inception and was approved and set up in 2016.

This pool was funded by Grantees closing out that had remaining funds. In addition the balance can increase based on the return of program income from resales. As we continue to closeout Grantees this fund will receive additional monies. The use of this fund is on an approval basis by DHCD and must be requested prior to an acquisition.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
001, Acquisition	\$0.00	\$50,612,005.00	\$26,729,961.62
002, Housing Rehabilitation	\$0.00	\$11,747,290.36	\$2,998,030.19
003, Home Buyer Assistance	\$0.00	\$2,443,223.74	\$372,871.98
004, Resale of Property	\$0.00	\$12,916,688.36	\$649,965.60
005, New Construction	\$0.00	\$795,559.37	\$98,769.85
100-0, State Administration	\$0.00	\$3,500,000.00	\$1,575,965.01
100-1, Planning Grants	\$0.00	\$192,000.00	\$192,000.00
100-2, Local Administration	\$0.00	\$4,639,181.67	\$1,060,396.73
Performance Pool-USDA Rural Development Properties,	\$0.00	\$7,380,364.78	\$3,724,678.01

