

Grantee: Cape Coral, FL

Grant: B-08-MN-12-0003

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-12-0003

Obligation Date:**Grantee Name:**

Cape Coral, FL

Award Date:**Grant Amount:**

\$7,065,484.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

The City of Cape Coral as a whole is an area of great need for neighborhood stabilization through the redevelopment of abandoned and foreclosed homes. The State of Florida echoes these problems. Florida led the nation in 2007 for the percentage (16.5%) of risky Negative Amortization (NegAm) Loans. The City of Cape Coral as a whole has a foreclosure rate of 11.9%. A foreclosure in Florida begins when a lender files court action and records a notice of a pending lawsuit (Lis Pendens) against the borrower. Cape Coral began as a platted lands subdivision, consisting of more than 270,000 platted lots of which approximately 71,283 are currently developed. Most of these platted lots measure 40x125 feet or 5,000 square feet in area. Single family residential is the predominant land use with two lots required to build a dwelling unit. This presents a unique challenge in defining target areas. An additional challenge lies in the fact that there are no defined geographic areas of neighborhoods and no Community Development Block Grant (CDBG) target areas. To identify the areas of greatest need throughout the city, all city Census Block Groups were analyzed in terms of foreclosures, sub prime/high cost loan concentration, and projected foreclosure risk. Data was derived from a HUD supplied database. Other criteria including price decline, unemployment rates, and vacancy rates were also reviewed for the city. Geographic Information System (GIS) technology was utilized to map and analyze the data to determine areas that had multiple high risk factors (i.e., combinations of high predicted foreclosure rates and high cost loan concentration or abandonment rates and reported vacancies). Seven (7) special areas of greatest need were identified from this data. These areas have great need under the HUD criteria of foreclosure, subprime/high cost loans and projected foreclosures. Other potential projects outside the defined Special Areas of Greatest Need may be considered and (1) implemented (2) rejected, or (3) forwarded as substantial or non-substantial amendments upon direction of the HUD field office.

Recovery Needs:

ACTIVITY 1: FINANCING MECHANISMS

Financing Mechanism activities that will be used individually or incorporated with the Cape Coral Activities 2, 3, and 5:

Financing activities will consist of purchase assistance on foreclosed REO properties. This program will be administered by a non-profit subrecipient agency, Cape Coral Housing Development Corporation.

ACTIVITY 2: ACQUISITION/REHABILITATION/FINANCING/RESALE- HOMEOWNERSHIP SINGLE FAMILY

National objective benefiting low,-moderate and -middle income persons, as defined in the NSP Notice. All homes will be sold to households with incomes at or below 120% of AMI. It is expected that a limited number of homes will be sold to households with income at or below 50% of AMI.

Responsible Organization:

City of Cape Coral

Department of Community Development -Planning and Growth Management Division and undefined subrecipient agencies.

This activity is to provide single family homeownership for persons/families at or below 120% of AMI. Tenure shall be homeownership. Notes and mortgages shall be recorded for up to 30 years based on amount and type of assistance. Affordability shall meet or exceed HOME requirements. Payments will be structured so that the PITI does not exceed 33% of a household's gross income as determined by HUD definitions of income limits and qualified income. Post purchase counseling will also be available through 2013.

Total Budget:
\$4,757,000

Performance Measures:
It is anticipated that Cape Coral and its partner agencies will purchase and rehabilitate forty (40) homes.

ACTIVITY 3 ACQUISITION/REHABILITATION/FINANCING/RESALE MULTIFAMILY HOUSING/RENTAL

National Objective: National objective benefiting low, -moderate and -middle income persons, as defined in the NSP Notice. Beneficiaries will be primarily renter households with incomes at or below 50% of AMI

Responsible Organization:
City of Cape Coral
Department of Community Development- Planning and Growth Management Division and undefined subrecipient agencies.

Activity Description:
This activity will primarily in the Special Areas of Greatest Need. This activity is primarily to provide housing units for households at or below 50% of AMI.

This activity will include purchasing and rehabilitating properties to be used as rental units for persons at or below 50% of AMI. The City of Cape Coral has experience partnering with local non profit housing providers and anticipates issuing a Request for Proposals with a priority for rental persons with disabilities or special needs to implement this project.

It is anticipated that supported housing projects shall be restricted for a minimum of 20 years. Properties will be acquired for at least 1% below market value.

Total Budget:
\$1,766,371

Performance Measures:
Nineteen (19) of these units will be occupied by person with incomes that do not exceed 50% of AMI.

ACTIVITY 4 -LAND BANKS

Land Bank activities that conform to NSP use may be incorporated in City of Cape Coral activities 2, 3 and 5.

ACTIVITY 5 DEMOLITION/REDEVELOPMENT

National Objective:
National objective benefiting low, -moderate and -middle income persons, as defined in the NSP Notice (i.e., 120% of area median income). It is expected that few homes will be sold to households with income at or below 50% of AMI.

Responsible Organization:
City of Cape Coral
Department of Community Development- Planning and Growth Management Division

Homes will be purchased and resold in Cape Coral primarily in the Special Areas of Greatest Need. This activity will occur primarily in the Special Areas of Greatest Need or amended exceptions as denoted on page 4 and 5. This activity is to provide homeownership for persons/families at or below 120% of AMI. It is expected that few homes will be sold to households with income at or below 50% of AMI.

The predominant use of these properties will be for homeownership. Where opportunities arise some rental units may be developed for occupants at or below 50% AMI or for occupants at or below 120% AMI.

Total Budget:
\$141,310

Performance Measures:
It is estimated that 7 units will be demolished
7 Units for Middle Income Households (81-120 percent) are projected.

ACTIVITY 6 REDEVELOPMENT

Redevelopment activities that conform to NSP use will be incorporated in Cape Coral Activities 2, 3 and 5.

ACTIVITY 7 ADMINISTRATION AND PLANNING

National Objective:
Administration for national objective benefiting low, moderate and middle income persons, as defined in the NSP Notice.

Projected Start Date:
January 15, 2009

Projected End Date:
July 15, 2013

Responsible Organization:
City of Cape Coral
Department of Community Development- Planning and Growth Management Division

Location Description:
Administration will occur at 1015 Cultural Park Boulevard, Cape Coral, Florida 33990

Activity Description:
These funds will be used to provide administrative activities including, but not limited to: personnel to carry out contract management functions.

Total Budget: (Include public and private components) \$400,000

Performance Measures: Not Applicable- beneficiaries are described in other activities

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$4,885,811.00
Total CDBG Program Funds Budgeted	N/A	\$4,885,811.00
Program Funds Drawdown	\$10,135.88	\$10,135.88
Obligated CDBG DR Funds	\$400,000.00	\$400,000.00
Expended CDBG DR Funds	\$10,135.88	\$10,135.88
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	\$0.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,059,822.60	\$0.00
Limit on Admin/Planning	\$706,548.40	\$10,135.88
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City's program is currently underway. The Homeownership Assistance to Low Moderate Income (NSP002) began in its earnest in August. During the reporting period, three properties (3) were closed. The Purchase Rehabilitation Program is also underway. This program has been challenging because of market constraints. The City had one offer accepted only to have to cancel the contract due to evidence of foreign drywall. Properties for this program are being viewed and/or offered on a daily basis however with limited success due to a heavy investor market. The City is participating in the Bank of America First Look Program and with the Neighborhood Community Stabilization Trust. It is our hope that participation in these programs might lead to more success in the purchase rehabilitation strategy. The Acquisition Rehabilitation Rental Program has not begun as proposals are currently under review. The Clearance and Demolition activity has not begun and it is anticipated that this activity will be eliminated as a part of an upcoming amendment to the City's Substantial Amendment.

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
NSP_APA_01, Program Administration	\$0.00	\$10,135.88	\$400,000.00	\$10,135.88
NSP_APA_2, Acquisition/Rehabilitation/Resale Homeownership	\$0.00	\$0.00	\$4,757,803.00	\$0.00
NSP_APA_3, Rental Acquisition/Rehab 25% Set-Aside	\$0.00	\$0.00	\$1,766,371.00	\$0.00
NSP_APA_5, Demolition/Redevelopment	\$0.00	\$0.00	\$141,310.00	\$0.00

Activities

Grantee Activity Number: NSP001

Activity Title: Program Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NSP_APA_01

Project Title:

Program Administration

Projected Start Date:

03/04/2009

Projected End Date:

03/04/2012

National Objective:

N/A

Responsible Organization:

City of Cape Coral

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$400,000.00
Total CDBG Program Funds Budgeted	N/A	\$400,000.00
Program Funds Drawdown	\$10,135.88	\$10,135.88
Obligated CDBG DR Funds	\$400,000.00	\$400,000.00
Expended CDBG DR Funds	\$10,135.88	\$10,135.88
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This activity encompasses the program administration of the NSP program by the City of Cape Coral.

Location Description:

1015 Cultural Park Boulevard Cape Coral, Florida 33990

Activity Progress Narrative:

Administration of the program continues. The NSP Specialist Position was filled during the month of October and additional City Real Estate staff (2) were assigned to assist with the program.

Performance Measures

No Performance Measures found.

Activity Locations

Address	City	State	Zip
PO Box 150027	Cape Coral	NA	33915-

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: NSP002

Activity Title: Financing Mechanisms

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

NSP_APA_2

Project Title:

Acquisition/Rehabilitation/Resale Homeownership

Projected Start Date:

06/08/2009

Projected End Date:

03/04/2012

National Objective:

NSP Only - LMMI

Responsible Organization:

Cape Coral Housing Development Corporation

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources

N/A

\$1,000,000.00

Total CDBG Program Funds Budgeted

N/A

\$1,000,000.00

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$0.00

\$0.00

Expended CDBG DR Funds

\$0.00

\$0.00

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

Eligible homeowners will receive a deferred second mortgage (subject to home affordability timelines) in the amount of 20% of the contract price. The NSP funds will buy down the principal and reduce the need for PMI which will result in greater affordability for the income qualified homebuyer. In addition, energy star appliance packages and closing costs will be provided in addition to the buydown. Homebuyers will be required to provide cash towards the purchase.

Location Description:

Activity administration will take place at the responsible organizations offices at 824 SE 47th St Suite 1 and 2, Cape Coral, FL 33904. The location of homes purchased under this strategy will be in the Areas of Special Greatest Need outlined within the NSP Action Plan.

Activity Progress Narrative:

The Homeownership Assistance to Low Moderate Income (NSP002) began in its earnest in August. During the reporting period, three properties (3) were closed however, they are not reported as expended during the period as the funds were not drawn from DRGR until October 2009. These properties were all sold to Low Income Clients.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/23
# of Households benefitting	0	0	0	0/0	0/6	0/23

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:	NSP003
Activity Title:	Rehabilitation and Resale for Homeownership

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

NSP_APA_2

Project Title:

Acquisition/Rehabilitation/Resale Homeownership

Projected Start Date:

03/04/2009

Projected End Date:

03/04/2012

National Objective:

NSP Only - LMMI

Responsible Organization:

Cape Coral Housing Development Corporation

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$886,400.00
Total CDBG Program Funds Budgeted	N/A	\$886,400.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$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:

Agency will be receiving title of houses for the rehabilitation and resale to income qualified households.

Location Description:

Scattered sites throughout the NSP Special Areas of Greatest Need.

Activity Progress Narrative:

NSP Activity NSP003 and NSP004 are currently underway. These two activities comprise the purchase rehabilitation program. This program has been challenging because of market constraints. The City had one offer accepted only to have to cancel the contract due to evidence of foreign drywall. Properties for this program are being viewed and/or offered on a daily basis however with limited success due to a heavy investor market. The City is participating in the Bank of America First Look Program, Fannie Mae, and with the Neighborhood Community Stabilization Trust. It is our hope that participation in these programs might lead to more success in the purchase rehabilitation strategy.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of Properties	0	0	0	0/0	0/0	0/20
# of housing units	0	0	0	0/0	0/0	0/20
# of Households benefitting	0	0	0	0/0	0/7	0/20

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: NSP004

Activity Title: Acquisition of properties for homeownership

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

NSP_APA_2

Project Title:

Acquisition/Rehabilitation/Resale Homeownership

Projected Start Date:

03/04/2009

Projected End Date:

03/04/2012

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Cape Coral

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$2,458,101.00
Total CDBG Program Funds Budgeted	N/A	\$2,458,101.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$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:

City will purchase properties and deed to non-profit subrecipients for the rehabilitation and resale for homeownership.

Location Description:

Scattered sites throughout the NSP Special Areas of Greatest Need.

Activity Progress Narrative:

NSP Activity NSP003 and NSP004 are currently underway. These two activities comprise the purchase rehabilitation program. This program has been challenging because of market constraints. The City had one offer accepted only to have to cancel the contract due to evidence of foreign drywall. Properties for this program are being viewed and/or offered on a daily basis however with limited success due to a heavy investor market. The City is participating in the Bank of America First Look Program, Fannie Mae, and with the Neighborhood Community Stabilization Trust. It is our hope that participation in these programs might lead to more success in the purchase rehabilitation strategy.

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
# of housing units	0	0	0	0/0	0/0	0/40
# of Households benefitting	0	0	0	0/0	0/14	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:	NSP008
Activity Title:	Demolition

Activity Category:

Clearance and Demolition

Project Number:

NSP_APA_5

Projected Start Date:

03/04/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Demolition/Redevelopment

Projected End Date:

03/12/2009

Responsible Organization:

City of Cape Coral

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$141,310.00
Total CDBG Program Funds Budgeted	N/A	\$141,310.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$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:

Demolition of abandoned/blighted single family residential properties in NSP areas. These homes are partially constructed or burnt down properties.

Location Description:

Activity administration will be located at the City of Cape Coral, 1015 Cultural Park Blvd, Cape Coral, Florida. Demolition/Clearance activities will take place at scattered site locations throughout the NSP Special Areas of Greatest Need.

Activity Progress Narrative:

The Clearance and Demolition activity has not begun and it is anticipated that this activity will be eliminated as a part of an upcoming amendment to the City's Substantial Amendment.

Performance Measures

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

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
