

**Grantee: Chandler, AZ**

**Grant: B-08-MN-04-0502**

**July 1, 2009 thru September 30, 2009 Performance Report**

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**Grant Number:**

B-08-MN-04-0502

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

Chandler, AZ

**Contract End Date:**

03/20/2013

**Review by HUD:**

Reviewed and Approved

**Grant Amount:**

\$2,415,100.00

**Grant Status:**

Active

**QPR Contact:**

Leah Powell

**Estimated PIRL Funds:**

\$456,816.35

**Total Budget:**

\$2,871,916.35

## Disasters:

### Declaration Number

No Disasters Found

## Narratives

### Areas of Greatest Need:

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

### Distribution and and Uses of Funds:

After analyzing foreclosure trends and code complaints, staff proposes targeting the 85225 zip code for programs using the NSP funds with the following NSP strategies: 1. Development of a Chandler Community Land Trust (CCLT) – The amount of \$1,468,500 will be used to purchase, rehabilitate and sell up to 15 formerly vacant, foreclosed single-family homes to income-qualified residents. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowner until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring that the home will remain permanently affordable as part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house also greatly reduces the amount of the mortgage for which these families would have to apply. 2. Creation of permanent affordable rental housing – Approximately \$ 655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition. 3. Down Payment Assistance – Approximately \$50,000 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners. Within the 85225 zip code, these three strategies will be targeted to Census Tracts identified by HUD as most at risk for foreclosure. 4. Administrative support – No more than \$241,500 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City's non-profit partners in these programs.

### Definitions and Descriptions:

### Low Income Targeting:

While 25% of our grant amount set aside for low-income housing activities (under 50% AMI) is \$603,775, we have actually awarded \$655,100 to the Affordable Rental Movement. This is \$50,000 more than originally budgeted (\$605,100) as a result of a reallocation of NSP funds when the Downpayment Assistance activity was reduced from \$100,000 to \$50,000 as a result of a revised analysis of demand. The \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed multifamily properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties



after acquisition.

**Acquisition and Relocation:**

Acquisition of approximately 15 single family homes will be acquired through our Community Land Trust Program and an additional 6 homes will be aquired through our Permanent Rental Housing program. No relocations will be performed through these activities.

**Public Comment:**

In addition to the standard published comment period, a public hearing was held at the Febuary 12, 2009 City of Chandler Council Meeting. No comments were made during the public comment period or at the public hearing.

On March 20, 2010 the City of Chandler published our Amendment I to the Substantial Amendment for a 15-day comment period. No comments were made during the public comment period.

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$2,871,916.35
<b>Total Budget</b>	\$0.00	\$2,871,916.35
<b>Total Obligated</b>	\$1,710,000.00	\$1,710,000.00
<b>Total Funds Drawdown</b>	\$1,163.83	\$1,163.83
<b>Program Funds Drawdown</b>	\$1,163.83	\$1,163.83
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$268,015.97	\$269,179.80
<b>Match Contributed</b>	\$0.00	\$0.00

**Progress Toward Required Numeric Targets**

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
<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>	\$362,265.00	\$0.00
<b>Limit on Admin/Planning</b>	\$241,510.00	\$1,163.83
<b>Limit on State Admin</b>	\$0.00	\$1,163.83

**Progress Toward Activity Type Targets**

**Progress Toward National Objective Targets**

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
<b>NSP Only - LH - 25% Set-Aside</b>	\$603,775.00	\$655,100.00

**Overall Progress Narrative:**

Chandler has been successful in making outreach to the targeted residents within the 85225 zip code for all of its projects. The Community Land Trust is fully operational with two families housed and several more being



processed. The next steps are to complete RFQE's for qualified non-profits to implement the Downpayment Assistance and Permanent Rental Housing Program.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
09Admin, Administration and Planning Costs	\$1,163.83	\$241,500.00	\$1,163.83
09PRH, Acquisition/Purchase and Rehabilitation	\$0.00	\$605,100.00	\$0.00
DPA09, Acquisition/Purchase and Rehabilitation	\$0.00	\$100,000.00	\$0.00
LT09, Acquisition/Purchase and Rehabilitation	\$0.00	\$1,468,500.00	\$0.00



## Activities

**Grantee Activity Number:** 09Admin  
**Activity Title:** Administration

**Activity Category:**

Administration

**Project Number:**

09Admin

**Projected Start Date:**

03/30/2009

**Benefit Type:**

( )

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Administration and Planning Costs

**Projected End Date:**

03/30/2012

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Chandler

Overall	Jul 1 thru Sep 30, 2009	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$241,500.00
<b>Total Budget</b>	\$0.00	\$241,500.00
<b>Total Obligated</b>	\$241,500.00	\$241,500.00
<b>Total Funds Drawdown</b>	\$1,163.83	\$1,163.83
<b>Program Funds Drawdown</b>	\$1,163.83	\$1,163.83
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$1,163.83
City of Chandler	\$0.00	\$1,163.83
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

– No more than \$241,500 can be used for staff support of any of the programs initiated through the NSP. This can include the staff support provided by the City and the City’s non-profit partners in these programs.

**Location Description:**

**Activity Progress Narrative:**

Chandler has been proactive in making outreach to residents within the 85225 zip code to participate in the Community Land Trust. Outreach include bi-lingual fliers, hosting 4 neighborhood meetings, and scheduled 3 more for late 2009 and early 2010. Staff has created RFQE's for the Downpayment Assistance and Permanent Affordable Rental programs and has submitted them to legal for review.

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures found.**



## Beneficiaries Performance Measures

No Beneficiaries 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

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**Grantee Activity Number:** 09DPA

**Activity Title:** Down-payment Assistance program

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

DPA09

**Projected Start Date:**

07/01/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

07/01/2012

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Chandler

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$50,000.00
<b>Total Budget</b>	\$0.00	\$50,000.00
<b>Total Obligated</b>	\$0.00	\$0.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Approximately \$50,000 will be used to assist qualified potential homebuyers with down payment assistance. These funds will be distributed to residents purchasing a house through the Land Trust to make the Land Trust component even more affordable. The downpayment assistance will be secured with a ten-year forgivable lien on the purchased property. The partnering non-profit will qualify, educate and monitor the new homeowners.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

Chandler has met with 2 different non-profits to discuss developing a Downpayment Assistance Program. Chandler has reviewed the goals and requirements of the program to create a Scope of Work and Request for Qualifications and Experience. The RFQE is looking for an organization that will offer up to 5% of the purchase price of a home for downpayment assistance to qualifying families that want to purchase a foreclosed home within the targeted area. The RFQE has been submitted to our Law Department and the City plans to have the RFQE issued no later than November 2009.



## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/5
# of Singlefamily Units	0	0/5

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/5	0/5	0
# Owner Households	0	0	0	0/0	0/5	0/5	0

## 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:** 09PRH

**Activity Title:** Permanent rental Housing

**Activity Category:**

Acquisition - general

**Project Number:**

09PRH

**Projected Start Date:**

06/30/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

06/30/2012

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Chandler

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2009</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$655,100.00
<b>Total Budget</b>	\$0.00	\$655,100.00
<b>Total Obligated</b>	\$0.00	\$0.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Approximately \$655,100 will be used to purchase and rehabilitate up to six vacant, foreclosed single family attached properties and rent them to income-qualified families. This is unlike the Section 8 program in that no voucher will be required. The families will be selected, evaluated and monitored by the partnering non-profit for their suitability for the program. The partnering non-profit will assume responsibility for the on-going maintenance of the properties after acquisition.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tract within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

Chandler has developed a Master Lease for qualifying non-profits to enter into for the purposes of providing permanent affordable rental housing. A Scope of Work has been submitted to the City's Purchasing Department which is creating a Request for Qualifications and Experience for the program. Legal is also reviewing the Master Lease and staff hopes to have an RFQE issued no later than November 2009.

**Accomplishments Performance Measures**

**This Report Period  
Total**

**Cumulative Actual Total / Expected  
Total**



# of Properties	0	0/6
# of buildings (non-residential)	0	0/6
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	0/6
Total acquisition compensation to	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/6
# of Singlefamily Units	0	0/6

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0	0

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/6	0/0	0/6	0
# of Persons	0	0	0	0/0	0/0	0/0	0
# Renter Households	0	0	0	0/6	0/0	0/6	0

### Activity Locations

No Activity Locations found.

### Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$0.00
Total Other Funding Sources	\$0.00



**Grantee Activity Number:** CLT09  
**Activity Title:** Community landtrust

**Activity Category:**

Acquisition - general

**Project Number:**

LT09

**Projected Start Date:**

04/30/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Purchase and Rehabilitation

**Projected End Date:**

04/30/2012

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Chandler

Overall	Jul 1 thru Sep 30, 2009	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$1,925,316.35
<b>Total Budget</b>	\$0.00	\$1,925,316.35
<b>Total Obligated</b>	\$1,468,500.00	\$1,468,500.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$268,015.97	\$268,015.97
City of Chandler	\$268,015.97	\$268,015.97
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

The amount of \$1,468,500 will be used to purchase and sell up to 17 formerly vacant, foreclosed single-family homes to income-qualified residents. Under this program the participants will purchase only the structure, the home, and not the land. The land will remain in possession of the Land Trust and leased to the homeowners until they sell the home. When the homeowner chooses to sell the home, the lease is terminated and any appreciation in the home's value will be split between the homeowner and the Land Trust. This system will reduce the purchase costs for the participant while sharing equity and ensuring the home will remain permanently affordable as a part of the Land Trust. The families that are envisioned for these properties are between 81% and 120% of area media income (AMI), or approximately \$53,300 to \$79,900 annually for a family of four. Qualifying to purchase only the house greatly reduces the amount of the mortgage for which these families would have to apply.

**Location Description:**

HUD's Estimated Foreclosure Abandonment Risk Score ("Risk Score") measures the estimated risk of home foreclosure and abandonment risk for every Census Tract in the State. This score is scaled from 0 to 10, with 10 being the highest or greatest risk. The Risk Scores were developed by HUD to assist grantees in targeting the areas of greatest need within their jurisdictions. Utilizing the HUD provided dataset, Chandler identified the zip code 85225 as having the most significant risk of foreclosure. This strategy will focus on eligible Census Tracts within the 85225 zip code that HUD has identified as having the highest risk for foreclosures.

**Activity Progress Narrative:**

Chandler has entered into an agreement with Newtown CDC for the purposes of implementing a Community Landtrust in Chandler. Newtown has held 3 neighborhood meetings, with 3 more scheduled for late 2009 and one for early 2010. The City has distributed over 1,000 flyers advertising for the program within the 85225 zip code. Two homes have been purchased with renovations and move-in being complete by the end of October. Escrow for both homes will be complete by mid-November. A



third property has been acquired and renovations will begin in November. Five more participants have completed the training program and are awaiting conditional loan approval.

### Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Properties	0		0/17	
Total acquisition compensation to	0		0/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		0/17	
# of Singlefamily Units	0		0/17	

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/2	0/10	0/17	0
# Owner Households	0	0	0	0/2	0/10	0/17	0

### 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	

