

Grantee: Chattanooga, TN

Grant: B-08-MN-47-0001

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-47-0001

Obligation Date:**Grantee Name:**

Chattanooga, TN

Award Date:**Grant Amount:**

\$2,113,727.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Plan Description:

A. AREAS OF GREATEST NEED Provide summary needs data identifying the geographic areas of greatest need in the grantees jurisdiction. Note: An NSP substantial amendment must include the needs of the entire jurisdiction(s) covered by the program; states must include the needs of communities receiving their own NSP allocation. To include the needs of an entitlement community, the State may either incorporate an entitlement jurisdictions consolidated plan and NSP needs by reference and hyperlink on the Internet, or state the needs for that jurisdiction in the States own plan. The lead entity for a joint program may likewise incorporate the consolidated plan and needs of other participating entitlement jurisdictions consolidated plans by reference and hyperlink or state the needs for each jurisdiction in the lead entities own plan. HUD has developed a foreclosure and abandonment risk score to assist grantees in targeting the areas of greatest need within their jurisdictions. Grantees may wish to consult this data, in developing this section of the Substantial Amendment. Response: The HUD generated data for the Neighborhood Stabilization Program was analyzed to examine the following factors: Number of foreclosures per census tract with area incomes = 120% of median income Abandonment foreclosure risk scores by census tracts and City Council Districts Ratio of the number of high mortgages and estimated number of foreclosures Number of vacant and abandoned properties within each census tract in the jurisdiction Number of abandoned, back tax, dilapidated residential structures, vacant lots and city-owned properties in the jurisdiction Existing and on-going projects in the jurisdiction that could complement the NSP The City of Chattanoogas areas of greatest need and focus for the use of Neighborhood Stabilization Program (NSP) funds was ascertained to be census tracts with high abandonment foreclosure risk scores of 9 and 10, and neighborhoods where at least 51% of the residents per capital income is =120% of median income. The analysis revealed that eighteen (18) census tracts in the jurisdiction fall within this grouping: 1. Census Tracts 1,2,3,4,8,11, 12.13, 19, 23, 24, 25, 26, 29, 30, 32, 33, and 115 and the corresponding Council Districts-1,5, 6, 7, 8, and 9 (six out of nine Council Districts). 2. Census Tracts 1, 2, 3, 4, 12 and 115 form the geographic boundaries of one of the Citys Weed and Seed Project site that is composed of neighborhoods in East Chattanooga (Avondale, Glenwood, Glenwood Heights, Orchard Knob, Bushtown, Churchville, Chamberlain, Judson Lane, Harriet Tubman, and Steiner). 3. Census Tracts 4, 8, 12, 14, 15, 19, 24, 25, 32, and 33 constitute the study area of the Citys Residential Survey and Documentation of Exterior Conditions Study. The study was conducted by J-Quad, a consultant firm that surveyed residential structures, vacant lots and structures. The study covered eighteen inner-city neighborhoods: Alton Park, Avondale, Bushtown, Cedar Hill, Churchville, Clifton Hills, East Chattanooga, Eastdale, East Lake, Glenwood, Hill City, Howard, Oak Grove, Orchard Knob, Piney Woods, Ridgedale, Highland Park, and M. L. King.

Recovery Needs:

Proposed funding to address effect of forecloser crisis:

NSP Administration	\$211,300
Land Banking Activities	\$250,000
New Construction/Redevelopment	\$1,052,427
Demolition	\$100,000

Financing	\$500,000
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Total	\$2,113,727
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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,113,727.00
Total CDBG Program Funds Budgeted	N/A	\$2,113,727.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$20,000.00	\$40,750.00
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	\$317,059.05	\$0.00
Limit on Admin/Planning	\$211,372.70	\$40,750.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City contracted with APD Urban Planning and Management LLC to develop an implementation plan for the most effective and efficient use of the funds. Under a \$205,050 agreement, the City has also contracted with APD to provide NSP management services. The City's Neighborhood Services and Community Development Department will be the lead agency for program implementation, and APD will provide NSP management services through the completion of the City's NSP program.

The NSP Implementation Plan consists of three approaches to implementing the City's NSP:

- Foreclosure Strategy,
 - Stabilization Strategy, or
 - Revitalization Strategy.
- Foreclosure Strategy: Acquisition and renovation of foreclosed homes throughout the designated NSP target Area of Greatest Need.
 - Stabilization Strategy: Stabilization of key NSP Focus Neighborhoods where early signs of blighting influences are emerging (vacant lots, abandoned housing, foreclosed homes), particularly in East Chattanooga and South Chattanooga areas
 - Revitalization Strategy: Revitalization of key NSP Focus Neighborhoods that are experiencing high concentrations of vacant lots, abandoned housing, and foreclosed homes, by redeveloping "model" blocks that will serve as a catalyst to attract additional redevelopment initiatives, particularly in East Chattanooga areas.

Foreclosure Strategy

The primary objective of the Foreclosure Strategy is to return properties to re-use as efficiently and quickly as possible. A carefully planned foreclosure strategy can help to slow down neighborhood decline associated with foreclosure in traditionally stable areas and stop the decline in neighborhoods at the "tipping point".

Properties that would qualify under the Foreclosure Strategy are foreclosed upon single family units or residential properties. Foreclosure prevention actions are not considered eligible NSP expenditures

Stabilization Strategy

The objective of the Stabilization Strategy is to focus investments in selected locations that have the greatest chance to reverse foreclosure impacts by specifically targeting neighborhoods containing stable blocks with one or two blighting influences. In some NSP Focus Neighborhoods, there are specific areas or blocks that have a small amount of blighting influences on otherwise stable blocks. In these instances, it is important to stabilize these neighborhoods or neighborhood blocks to stagnate the progression of neighborhood decline. Although these are scattered sites throughout the identified NSP Focus Neighborhoods, addressing these blighting influences represent opportunities for an immediate impact in the use of NSP funds. Priority projects that fall under this strategy include those that focus on stable blocks with one or two blighting influences are in neighborhoods that have historically stable ownership, that will be in close proximity to large employers, and are adjacent to existing public and private revitalization efforts in surrounding neighborhoods. NSP Focus Neighborhood maps identify priority areas through a tiered system:

- Tier 1 (red) – most developable characteristics
- Tier 2 (yellow) – moderate amount of developable characteristics
- Tier 3 (green) – least amount of developable characteristics

Properties that would qualify under the Stabilization Strategy are vacant lots, vacant single-family units, vacant duplexes, or foreclosed upon single family homes and residential property, and are located in the Tier areas.

Revitalization Strategy

Model development block sites are catalyst residential development projects that can be completed in the short term. These sites introduce a high impact development statement and become models for housing in the neighborhoods they are located. In the long term, model development block sites assist in stabilizing the housing stock by encourage reinvestment in areas beyond the identified boundaries of the NSP Focus Neighborhoods. Priority projects that fall under this strategy include privately or publicly funded projects that can assist in leveraging NSP funded projects, projects that establish collaborations to leverage NSP funds, and projects that follow the design standards and neighborhood characteristics that enhance the image of the NSP Focus Neighborhoods.

Properties that would qualify under the Revitalization Strategy are vacant lots, vacant single-family units, vacant duplexes, foreclosed upon single family homes and residential property, and are located in the Tier areas.

The approach used by the consultant to prepare the implementation plan was based on conducting an assessment of existing conditions including duplex properties, vacant lots, and a review of previous plans and studies that had been conducted in the focus neighborhood areas. In addition to assessing exterior conditions of duplexes, the windshield survey also determined occupancy and the location of neighborhood resources such as schools, churches, hospitals, and recent neighborhood development projects completed by local community based development corporations. A review of demographic data was also performed based on census tracts and block groups to determine the type of household patterns, trends in household income, and population shifts that were occurring at the census tract and neighborhood block levels.

The assessment of existing conditions was not limited to just windshield surveys and analysis of demographic information. The consultants also conducted public meetings and individual interviews as a basis for gaining resident stakeholders’ perspective of neighborhood strengths, weaknesses and threats. The combined analysis of the portions of the East Chattanooga and South Chattanooga neighborhoods housing conditions, occupancy of buildings (to determine specific areas within these neighborhoods where vacant and abandoned buildings were concentrated), provided the data base needed to help identify specific neighborhood locations within East and South Chattanooga that were most at risk. For intervention, implementation planning, revitalization and stabilization projects. An analysis of existing conditions based on the use of a “Decision Making Matrix” helped in the selection of NSP focus Neighborhoods located within East and South Chattanooga

Since being procured to manage the implementation plan, the consultant has met with local stakeholders, department administrators and city officials to identify processes which can be implemented that could assist in expediting procedures and requirements that might hinder the expeditious completion of activities and expenditure of the funds..

It is anticipated that a range of services and entities with experience and expertise in various areas will be needed to assist in the City’s achievement of the outlined strategies in the NSP Plan. To address this the City will be seeking Requests for Qualifications from professionals, and entities (non-profits and for-profit) that have experience and expertise that will facilitate the provision of undertaking of services, activities, programs, or projects that will ultimately result in the City achieving the objectives of the NSP Plan strategies.

The purpose of this RFQ is to identify qualified, and available entities to assist the City in moving forward with implementation of the NSP plan by carrying out activities designed to address one or more of these strategies. Qualified entities are invited to submit a statement of qualifications. Applicant may indicate ability to provide services under more than one area. Qualified entities will be place on a list of preferred partners to be called/used as particular projects, services are needed. The RFQ is open to qualified, for-profit and non- profit entities:

During the quarter, the City developed a list of preferred appraisers through a Request for Qualifications process. This service will be critical in allowing access to qualified appraisers to provide faster turn a-rounds on appraisal services.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
100, NSP Administration	\$0.00	\$211,300.00	\$0.00
200, Land Banking Activities	\$0.00	\$250,000.00	\$0.00
300, New Construction/Redevelopment of Vacant Land	\$0.00	\$1,052,427.00	\$0.00
400, Demolition Activities	\$0.00	\$100,000.00	\$0.00
500, Financing Activities	\$0.00	\$500,000.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	100-01
Activity Title:	Consultant

Activity Category:

Administration

Project Number:

100

Projected Start Date:

06/15/2009

National Objective:

N/A

Activity Status:

Planned

Project Title:

NSP Administration

Projected End Date:

09/30/2009

Responsible Organization:

Neighborhood Services and Community Development

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$45,000.00
Total CDBG Program Funds Budgeted	N/A	\$45,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$20,000.00	\$40,750.00
Neighborhood Services and Community Development	\$20,000.00	\$40,750.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Consultant to develop an implementation plan for the effective and efficient use of NSP funds.

Location Description:

City Hall

Activity Progress Narrative:

The City contracted with APD Urban Planning and Management LLC to development an implementation plan for the most effective and efficient use of the funds. The implementation plan is complete.

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: 100-03**Activity Title: Admin-Implementation Plan****Activity Category:**

Administration

Activity Status:

Planned

Project Number:

100

Project Title:

NSP Administration

Projected Start Date:

08/03/2009

Projected End Date:

06/30/2010

National Objective:

N/A

Responsible Organization:

Neighborhood Services and Community Development

Overall**Oct 1 thru Dec 31, 2009****To Date****Total Projected Budget from All Sources**

N/A

\$156,300.00

Total CDBG Program Funds Budgeted

N/A

\$156,300.00

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:

Funds will be used for administrative costs associated with implementing NSP initiatives.

Location Description:

Department of Neighborhood Services and Community Development 101 E. 11th Street, Suite 200 Chattanooga, TN 37402

Activity Progress Narrative:

The City contracted with APD Urban Planning and Management LLC to develop an implementation plan for the most effective and efficient use of the funds. Under a \$205,050 agreement, the City has also contracted with APD to provide NSP management services. The City's Neighborhood Services and Community Development Department will be the lead agency for program implementation, and APD will provide NSP management services through the completion of the City's NSP program.

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
