

Grantee: Denver, CO

Grant: B-08-MN-08-0003

January 1, 2010 thru March 31, 2010 Performance Report

Grant Number:

B-08-MN-08-0003

Obligation Date:

03/20/2009

Grantee Name:

Denver, CO

Award Date:**Grant Amount:**

\$6,060,170.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

No QPR Contact Found

Disasters:

Declaration Number

NSP

Plan Description:

The City and County of Denver defines foreclosure rate as the total number of foreclosure filings divided by the total number of owner-occupied homes in a given census tract, expressed as a percentage. Figure 1.1 shows the map of foreclosure rates by census tracts from 2000 to 2007. From the map it is evident that the foreclosure rate (or more accurately, rate of foreclosure filings), has increased from 0.8 percent in 2000 to 5.9 percent in 2007. At the same time, the highest foreclosure rate found in a census tract increased from 3 percent in 2000 to 13 percent in 2007. The average and standard deviation have steadily increased at about the same rate, indicating that as the average foreclosure rate has increased, the variability in foreclosure rates between tracts has increased as well. The map also shows that the southwest, north-central and northeast sections of Denver have experienced higher foreclosure rates compared to the rest of the city in the past seven years. Most of the census tracts in these areas have experienced higher than average foreclosure rates during this time. The clustering pattern of foreclosure rates by census tract can be easily observed by the more familiar neighborhood boundaries as shown in Figure 1.2. While information on concentrations of foreclosures in Denver can be used to target outreach and intervention programs, it does not reveal the reasons that foreclosures are clustered in these areas. In the next sections, we examine the spatial distribution of high-priced subprime loans to understand the potential factors that could influence the concentration of foreclosures.

2. High-Priced (Subprime) Loans Based on the interest rates of loans entering foreclosure in Denver, the proportion of loans in foreclosure filings that are classified as subprime or high-priced increased dramatically between 2004 and 2006. In fact, for loans originated in 2006 that have entered the foreclosure process, almost 50 percent have interest rates that are classified as high-priced or subprime. This classification includes both FRM and ARM subprime loans. Figure 2.2 shows the distribution by census tract of high-priced loans as a percent of all loans originated in Denver from 2004 to 2006. As the map shows, high-priced loans appear to be clustered in census tracts located in northeast, north-central and southwest Denver. Not surprisingly, these areas also have higher foreclosure rates and densities. A statistical analysis of the relationship between high-priced loans and foreclosure rates for 2004 and 2007 indicate a positive correlation of between 64 and 69 percent.

3. Likelihood of Significant Rise in Foreclosure Rate According to HUDs analysis of foreclosure and abandonment risk factors, nearly one-third of census tracts in Denver have a risk factor of 9 to 10, which is considered very high; and nearly half have a risk factor of 5 to 8, which is moderate to high, as shown on the pie chart to the right. A map of the foreclosure and abandonment risk factors (Figure 3.1) shows a clustering pattern that is similar to the concentration of foreclosure filings. Again, neighborhoods in the northeast, southwest and north-central parts of the city are more likely to see a significant rise in foreclosures in the coming months

Recovery Needs:

Denvers overall neighborhood revitalization strategy is premised on the goal of creating mixed income neighborhoods of choiceneighborhoods that attract households of diverse income, racial/ethnic, and tenure backgrounds. As such, Denvers NSP implementation is designed to complement the citys existing neighborhood revitalization framework. In March of 2008, Denvers Office of Economic Development released a comprehensive study on mortgage foreclosures in Denver. The study broadened our understanding and deepened our appreciation of the magnitude of the foreclosure crisis. Based on the studys recommendations and our analysis of data provided

by HUD to facilitate NSP implementation, we have proposed to meet the requirements of Section 2301(c)(2) of HERA by initially focusing on three programs that address foreclosures in our target areas of priority.

Although Denver will initially target areas in five neighborhoods, we remain flexible to respond to additional changes and market opportunities as the program is implemented. The city will invest in the following five primary areas: Green Valley Ranch, Montbello Westwood, Villa Park and West Colfax. In addition to the primary areas, the city will consider opportunities to invest in Barnum, Mar Lee, and Athmar Park in southwest Denver and Northeast Park Hill and Elyria Swansea in North Denver, as secondary investment areas.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$6,060,170.00
Total CDBG Program Funds Budgeted	N/A	\$6,060,170.00
Program Funds Drawdown	\$1,680,478.28	\$1,680,478.28
Obligated CDBG DR Funds	\$4,425,127.00	\$4,425,127.00
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

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	\$909,025.50	\$0.00
Limit on Admin/Planning	\$606,017.00	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,515,042.50	\$1,515,043.00

Overall Progress Narrative:

The Denver NSP 1 program has been underway in earnest in the first quarter of 2010. Denver's Policy and Procedures manual has been finalized. Acquisition and rehab networks are well-established. Denver continues to participate in a statewide NSP implementation group to share experiences and best practices. HUD monitored the Denver NSP 1 program and had no concerns or findings. By the end of the first quarter of 2010, a total of 18 properties had been purchased, and two homes resold.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1-AD, Administartion	\$107,259.99	\$606,017.00	\$107,259.99
2-Acq/Rehab-, Acquisition and Rehab	\$1,175,843.29	\$2,913,850.00	\$1,175,843.29
3-ACQ-LB, Acqusition and Land Banking	\$0.00	\$680,260.00	\$0.00
4, Low Income Rental and Homeownership	\$397,375.00	\$1,515,043.00	\$397,375.00
5-DPA, Downpayment Assistnace	\$0.00	\$345,000.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: GE94053-CHAC-DPA

Activity Title: Downpayment Assistance-CHAC

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

5-DPA

Projected Start Date:

12/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Downpayment Assistance

Projected End Date:

03/20/2013

Responsible Organization:

Colorado Housing Assistance Corporation-CHAC

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$225,000.00
Total CDBG Program Funds Budgeted	N/A	\$225,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$225,000.00	\$225,000.00
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:

This program will establish financing mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared-equity loans for low- and moderate- income homebuyers

Location Description:

Metro Denver area

Activity Progress Narrative:

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: GE94054-Del Norte-Mktg**Activity Title: NSP Marketing****Activity Category:**

Planning

Activity Status:

Planned

Project Number:

2-Acq/Rehab-

Project Title:

Acquisition and Rehab

Projected Start Date:

06/01/2009

Projected End Date:

03/20/2019

National Objective:

NSP Only - LMMI

Responsible Organization:

Del Norte

Overall**Jan 1 thru Mar 31, 2010****To Date****Total Projected Budget from All Sources**

N/A

\$30,000.00

Total CDBG Program Funds Budgeted

N/A

\$30,000.00

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$30,000.00

\$30,000.00

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:

Contractor will conduct the marketing for the NSP homes for sale and rental purposes.

Location Description:

1. Montbello
2. Elyria/Swansea
3. Northeast Park Hill
4. Athmar Park
5. West Colfax
6. Villa Park
7. Skyland
 8. Green Valley Ranch
 9. Westwood
 10. Barnum
 11. Mar Lee

Activity Progress Narrative:

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:	GE9A020-DNR-ACQ
Activity Title:	Acquisition and Rehabilitation

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Planned

Project Number:

2-Acq/Rehab-

Project Title:

Acquisition and Rehab

Projected Start Date:

06/01/2009

Projected End Date:

03/21/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Denver Neighborhood Revitalization

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$1,170,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,170,000.00
Program Funds Drawdown	\$282,814.24	\$282,814.24
Obligated CDBG DR Funds	\$1,170,000.00	\$1,170,000.00
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:

The Acquisition/Rehabilitation activity will entail the purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

Location Description:

1. Green Valley Ranch
2. Westwood
3. Barnum
4. Mar Lee

Activity Progress Narrative:

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:	GE9A020-DNR-HM/RN
Activity Title:	Low Income Rental and Homeownership

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

4

Project Title:

Low Income Rental and Homeownership

Projected Start Date:

06/01/2009

Projected End Date:

03/20/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Denver Neighborhood Revitalization

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$606,000.00
Total CDBG Program Funds Budgeted	N/A	\$606,000.00
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:

Not less than 25 percent of the funds shall be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of area median income. This activity may include demolishing blighted structure; and redeveloping demolished or vacant properties.

Location Description:

1. Green Valley Ranch
2. Westwood
3. Barnum
4. Mar Lee

Activity Progress Narrative:

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:	GE9A020-DNR-LB
Activity Title:	Acquisition and Land Banking-DNR

Activity Category:

Land Banking - Acquisition (NSP Only)

Project Number:

3-ACQ-LB

Projected Start Date:

06/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Land Banking

Projected End Date:

03/21/2013

Responsible Organization:

Denver Neighborhood Revitalization

Overall	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	\$320,000.00
Total CDBG Program Funds Budgeted	N/A	\$320,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$320,000.00	\$320,000.00
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:

This program will allow for the establishment of land banks for homes and residential properties that have been foreclosed upon and may include demolishing blighted structures and redeveloping demolished or vacant properties

Location Description:

1. Green Valley Ranch
2. Westwood
3. Barnum
4. Mar Lee

Activity Progress Narrative:

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:	GE9A030-NDC-ACQ/LB
Activity Title:	Acquisition and Land Banking-NDC

Activity Category:

Land Banking - Acquisition (NSP Only)

Project Number:

3-ACQ-LB

Projected Start Date:

06/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Land Banking

Projected End Date:

03/20/2013

Responsible Organization:

Neighborhood Development Collaborative Inc

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$360,260.00
Total CDBG Program Funds Budgeted	N/A	\$360,260.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$360,260.00	\$360,260.00
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:

This program will allow for the establishment of land banks for homes and residential properties that have been foreclosed upon and may include demolishing blighted structures and redeveloping demolished or vacant properties

Location Description:

1. Montbello
2. Elyria/Swansea
3. Northeast Park Hill
4. Athmar Park
5. West Colfax
6. Villa Park
7. Skyland

Activity Progress Narrative:

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:	GE9A030-NDC-ACQ/Rehab
Activity Title:	Acquisition and Rehabilitation

Activity Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
2-Acq/Rehab-

Project Title:
Acquisition and Rehab

Projected Start Date:
06/01/2009

Projected End Date:
03/20/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
Neighborhood Development Collaborative Inc

Overall	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	\$1,713,850.00
Total CDBG Program Funds Budgeted	N/A	\$1,713,850.00
Program Funds Drawdown	\$893,029.05	\$893,029.05
Obligated CDBG DR Funds	\$1,713,850.00	\$1,713,850.00
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:

The Acquisition/Rehabilitation activity will entail the purchase and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.

Location Description:

1. Montbello
2. Elyria/Swansea
3. Northeast Park Hill
4. Athmar Park
5. West Colfax
6. Villa Park
7. Skyland

Activity Progress Narrative:

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:	GE9A030-NDC-HM/RN
Activity Title:	Low Income Rental and Homeownership

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

4

Projected Start Date:

06/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Low Income Rental and Homeownership

Projected End Date:

03/20/2013

Responsible Organization:

Neighborhood Development Collaborative Inc

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$909,043.00
Total CDBG Program Funds Budgeted	N/A	\$909,043.00
Program Funds Drawdown	\$397,375.00	\$397,375.00
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:

Not less than 25 percent of the funds shall be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of area median income. This activity may include demolishing blighted structure; and redeveloping demolished or vacant properties.

Location Description:

1. Montbello
2. Elyria/Swansea
3. Northeast Park Hill
4. Athmar Park
5. West Colfax
6. Villa Park
7. Skyland

Activity Progress Narrative:

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: N/A

Activity Title: Denver Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

1-AD

Project Title:

Administartion

Projected Start Date:

03/20/2009

Projected End Date:

03/20/2019

National Objective:

N/A

Responsible Organization:

City and County of Denver-BHS

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources

N/A

\$606,017.00

Total CDBG Program Funds Budgeted

N/A

\$606,017.00

Program Funds Drawdown

\$107,259.99

\$107,259.99

Obligated CDBG DR Funds

\$606,017.00

\$606,017.00

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:

Location Description:

Activity Progress Narrative:

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

