

Grantee: Detroit, MI

Grant: B-08-MN-26-0004

January 1, 2010 thru March 31, 2010 Performance Report

Grant Number:

B-08-MN-26-0004

Obligation Date:

03/25/2009

Grantee Name:

Detroit, MI

Award Date:**Grant Amount:**

\$47,137,690.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

Thomasina Tucker

Disasters:**Declaration Number**

NSP

Plan Description:

The City of Detroit has one of the highest home foreclosure rates among the nation's largest metropolitan areas. The City has over 67,000 foreclosed properties, 65 percent remain vacant. The foreclosure problem is widespread and touches almost every neighborhood in the city. The City recognizes that the \$47,137,690 NSP allocation must be implemented in a strategic manner to result in the stabilization of neighborhoods most severely impacted by foreclosure and abandonment. The funds have been targeted to nine neighborhoods that were selected based upon the data that showed: over 51 percent of the population in the Census block groups met the low moderate middle income criteria; a high percentage of home foreclosures, a high percentage of homes financed by sub-prime mortgage related loans; and were also identified as likely to face a significant rise in the rate of home foreclosures. The City also aligning this process with other local stabilization and development efforts.

Recovery Needs:

The goals of the City of Detroit Neighborhood Strategy Program are:

Continue to implement the City's Master Plan to reinforce, revitalize and rebuild targeted neighborhoods; Reduce the vast numbers of vacant properties causing blight and undermining the vitality of neighborhoods; Reverse the decline of neighborhood housing values;

Stabilize neighborhoods negatively impacted by foreclosure and abandonment; Eliminate blighted structures to enhance public safety and improve quality of life; Invest in select neighborhoods to achieve greater impact with limited resources especially neighborhoods targeted by LISC, Skillman, the Community Foundation and NDNI; Protect recent investments by public and private partners

Attract other public/private financing to leverage NSP funds; Create new jobs and stimulate small business development; Demolish existing structures to accommodate future development or alternative uses.

Overall**This Report Period****To Date**

Total Projected Budget from All Sources	N/A	\$47,137,690.00
Total CDBG Program Funds Budgeted	N/A	\$47,137,690.00
Program Funds Drawdown	\$1,104.00	\$595,342.56
Obligated CDBG DR Funds	\$7,749,541.44	\$13,053,769.00
Expended CDBG DR Funds	\$82,342.60	\$676,581.16
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	\$7,070,653.50	\$0.00
Limit on Admin/Planning	\$4,713,769.00	\$4,884.00
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	\$11,784,422.50	\$18,223,921.00

Overall Progress Narrative:

Acquisition

Strategic property acquisition for rehab and new construction will begin during the second quarter of 2010. The Detroit Land Bank Authority (DLBA), in partnership with P&DD and other stakeholders, continues its efforts to finalize a proposed acquisition strategy in three of the nine target areas. P&DD is also working with the DLBA to finalize a contract so that activities to be funded with NSP funds can begin. P&DD leadership also met with the REO Clearinghouse to discuss ways to identify and acquire REO property in the nine target areas. The City is making every effort to ensure acquisition is strategic. The City also received approximately 8,000 tax reverted parcels from Wayne County. Acquired properties will be used for rehabilitation, demolition, or holding them until their best use can be determined.

Acquisition-Land Bank

Some of the properties acquired from Wayne County will be transferred to the Detroit Land Bank Authority portfolio, once it is completely operational. The Detroit Land Bank Authority has completed the following as it moves to full operation:

- Hired Mr. Aundra Wallace as Executive Director
- Selected Corporate Facts to provide accounting services
- Selected Lamont Title to provide title services
- Negotiated a sub lease with the city of Detroit for office space

Disposition

The City of Detroit will maintain acquired vacant, foreclosed, and abandoned NSP properties pending disposition, including legal services, appraisals, surveys and transfer costs as needed. Currently this includes all of the properties from Wayne County.

Disposition-Land Bank

The Detroit Land Bank Authority will also maintain vacant, foreclosed, and abandoned NSP properties pending disposition, including legal services, financial services, appraisals, surveys and transfer costs. The Land Bank does not currently have any properties in its inventory so no disposition costs have been incurred.

Public Improvements

P&DD staff reviewed and re-evaluated the plans for NSP Public Improvements. A final plan for implementation will be decided during the second quarter of 2010. The City is looking to leverage the public improvement dollars to fund projects that are visible and will have maximum impact.

Demolition

This quarter the P&DD Planning Division forwarded eligible NSP areas to Buildings and Safety Engineering for processing and final demolition. The City of Detroit has demolished 15 eligible housing units this quarter totaling \$81,238.60. See addresses listed in the QPR. Note: although a voucher was submitted and approved for \$196,493.15 on 3/31/10, the voucher had a LOCCS transaction date of 4/1/10 and will not be reflected until the second quarter. The addresses listed in the current QPR will not be included in the next quarterly report when the payment is shown.

Addresses for demolished structures are included in the QPR.

Administration

Administrative expenditures included advertising the NSP notice for request of qualifications for assistance in administering NSP funds. The first quarter of 2010 involved the development and review of legal agreements, processes and procedures needed to implement NSP housing programs. With the assistance of legal counsel, Housing Services staff completed Development and Loan Agreement documents. Housing staff are also providing documentation on procedures and draft development agreements to the NSP developers. A total of four (4) funding obligation letters resulting in \$4,200,000 in new construction obligations. Twenty three (23) initial funding reservation letters will obligate the housing rehabilitation allocation balance of \$13,973,921. Division staff has prioritized NSP projects with developers to assist them in completing necessary work on their projects. It is anticipated that five (5) additional NSP temporary staff support will be brought aboard in the next quarter.

Housing staff also met with the local HUD NSP representative during this quarter. The HUD assistance was instrumental in developing a strategic plan for increasing obligations and assuring compliance with the City's approved NSP activities. The strategies included but were not limited to; rescinding initial funding commitment reservations where a project has become untenable with significant performance challenges and the inability to meet performance requirements, allowing wait-listed (NSP second-tier projects) developers a second opportunity to be approved for NSP funding, and increasing per unit costs, for those approved projects, where the rehabilitation specialists, inspection analysis indicate that the projects will need increased funding to create sustainable rehabilitation housing product under the program. Some of the increased, per unit costs will cover lead remediation, energy efficiency, green building, as well as certain soft costs, i.e. title insurance, environmental reviews, legal, appraisals, etc.

On January 29, 2010 the Housing Services Division of P&DD held an NSP orientation workshop, covering NSP implementation and reporting requirements that are designed to ensure program success. Approximately 150 NSP developers/ non-profits attended along with their development team. They were able to receive critical training and information on NSP implementation and program requirements ensuring compliance with all NSP requirements. One-on-one meetings were held with every developer receiving an initial funding reservation or commitment letter-- in an effort to resolve any remaining questions and to reiterate the NSP process and procedures necessary for program compliance. Staff also reviewed development packages and documentation for each organization emphasizing private financing confirmation and updating letters and documents.

Housing Division staff also convened meetings with two local financing institutions, Michigan Housing Trust Fund and Shorebank, in an effort to leverage NSP program funds through partnership with the City of Detroit. Current banking restrictions and other pertinent issues were discussed. These restrictions could limit private resources for developers to use for their construction and permanent financing needs. This information further supported the staff decision to allow increased per unit costs where necessary (to fill the funding gap with NSP dollars).

The Housing Division Management Team also attended the HUD sponsored NSP "Problem-Solving Clinic". The clinic focused on providing strategies, best practices and other information useful to P&DD staff.

FRM and contractual staff are also designing an NSP database to track/confirm the following:

- Addresses are in NSP areas
- Addresses are in income eligible areas
- Expenditures
- Obligations
- Program Income

- Various information required in the DRGR system

In addition, P&DD's Planning Division spent time conducting studies, analyses, and reports on NSP activities and locations. P&DD staff also spent significant time identifying eligible units for demolition so that demolition is strategic and has impact. Demolition targets included blighted properties in close proximity to schools, structures identified by the community at the community input meetings, blighted and vacant structures in areas where the City will invest in new construction or rehabilitation, and areas where the Michigan Land Bank is also demolishing units. The P&DD NSP Team also met with the local Field Office relevant to review and to assess DRGR application.

New Construction

As of the end of the 1st quarter of 2010, the Housing Services Division has obligated a total of \$4,200,000. towards four (4) new construction projects within the city's NSP target areas of greatest need. These projects also anticipate funding from the State's Low Income Housing Tax Credit (LIHTC) Program, and had been stalled for several months due to the severe economic downturn and further constriction of bank participation in the purchase of the LIHTC credits. Thanks to the department's partnership and cooperation with MSHDA, along with the State's T-Cap funding, these four projects have a major opportunity for success. The NSP program will allow us to provide the necessary funding to fill the gap for these projects to make them viable once again. The four projects will create a total of 168 units of new housing which will replace some of the existing blighted housing stock that will be demolished under a separate activity within the city's NSP plan.

Rehabilitation

The P&DD rehabilitation specialists have performed inspections to determine the preliminary feasibility of several rehab projects and conducted site reviews for the new construction projects as well. The rehabilitation inspectors have been working in concert with the developers of the rehab projects to ensure quality specifications are written, and that the highest quality and energy efficient renovations allowable under the program will occur. This coordination effort will ensure that the housing stock rehabilitated under the city's NSP plan will be the most sustainable product for the planned expenditure. This service will be provided on an ongoing basis by the rehabilitation staff throughout the length of the NSP plan, as part of program delivery costs. We anticipate obligating an additional \$2,794,784 per month on average for the next 5 months. This aggressive schedule will allow us to meet the obligation requirement in advance of the September 30, 2010 deadline.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NSP-01, NSP Acquisition	\$0.00	\$4,000,000.00	\$0.00
NSP-02, NSP Disposition	\$0.00	\$4,200,000.00	\$0.00
NSP-03, NSP-Public Improvements	\$0.00	\$2,000,000.00	\$0.00
NSP-04, NSP Demolition	\$0.00	\$14,000,000.00	\$590,458.56
NSP-10, NSP Administration	\$1,104.00	\$4,713,769.00	\$4,884.00
NSP-12, NSP New Construction	\$0.00	\$4,250,000.00	\$0.00
NSP-14, NSP Rehabilitation	\$0.00	\$13,973,921.00	\$0.00

Activities

Grantee Activity Number: 01 NSP Acq

Activity Title: Acquisition

Activity Category:

Acquisition - general

Project Number:

NSP-01

Projected Start Date:

07/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

NSP Acquisition

Projected End Date:

03/30/2013

Responsible Organization:

City of Detroit Planning & Dev Dept

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$3,500,000.00
Total CDBG Program Funds Budgeted	N/A	\$3,500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Planning & Dev Dept	\$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:

Vacant, abandoned or foreclosed property will be acquired in the nine target areas for rehabilitation, demolition or redevelopment including new construction

Location Description:

location to be determined in the 9 target areas

Activity Progress Narrative:

Acquisition

Strategic property acquisition for rehab and new construction will begin during the second quarter of 2010. The Detroit Land Bank Authority (DLBA), in partnership with P&DD and other stakeholders, continues its efforts to finalize a proposed acquisition strategy in three of the nine target areas. P&DD is also working with the DLBA to finalize a contract so that activities to be funded with NSP funds can begin. P&DD leadership also met with the REO Clearinghouse to discuss ways to identify and acquire REO property in the nine target areas. The City is making every effort to ensure acquisition is strategic. The City also received approximately 8,000 tax reverted parcels from Wayne County. Acquired properties will be used for rehabilitation, demolition, or holding them until their best use can be determined.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/350

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: 01A NSP ACQ

Activity Title: Landbank Acquisition

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

NSP-01

Project Title:

NSP Acquisition

Projected Start Date:

09/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Detroit Land Bank

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$500,000.00
Total CDBG Program Funds Budgeted	N/A	\$500,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Land Bank	\$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 Land Bank will acquire abandoned vacant or foreclosed properties for rehabilitation, demolition, redevelopment or new construction

Location Description:

The nine target areas.

Activity Progress Narrative:

Acquisition-Land Bank

Some of the properties acquired from Wayne County will be transferred to the Detroit Land Bank Authority portfolio, once it is completely operational. The Detroit Land Bank Authority has completed the following as it moves to full operation:

- Hired Mr. Aundra Wallace as Executive Director
- Selected Corporate Facts to provide accounting services
- Selected Lamont Title to provide title services
- Negotiated a sub lease with the city of Detroit for office space

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/50

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: 02 NSP Disp

Activity Title: Disposition

Activity Category:

Disposition

Activity Status:

Planned

Project Number:

NSP-02

Project Title:

NSP Disposition

Projected Start Date:

06/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Detroit

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$3,450,000.00
Total CDBG Program Funds Budgeted	N/A	\$3,450,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit	\$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:

Maintain properties pending disposition including legal services, financial services, appraisals, surveys and transfer costs.

Location Description:

Location to be determined based upon the acquisition, rehabilitation, or demolition activity in the 9 target areas

Activity Progress Narrative:

Disposition

The City of Detroit will maintain acquired vacant, foreclosed, and abandoned NSP properties pending disposition, including legal services, appraisals, surveys and transfer costs as needed. Currently this includes all of the properties from Wayne County.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/800

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: 02a NSP Disp**Activity Title: Landbank Disposition****Activity Category:**

Disposition

Activity Status:

Planned

Project Number:

NSP-02

Project Title:

NSP Disposition

Projected Start Date:

09/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Detroit Land Bank

Overall**Jan 1 thru Mar 31, 2010****To Date**

Total Projected Budget from All Sources	N/A	\$750,000.00
Total CDBG Program Funds Budgeted	N/A	\$750,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Land Bank	\$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:

Land Bank will maintain vacant, foreclosed, and abandoned NSP properties pending disposition, including legal services, financial services, appraisals, surveys and transfer costs

Location Description:

Nine Target areas

Activity Progress Narrative:

Disposition-Land Bank

The Detroit Land Bank Authority will also maintain vacant, foreclosed, and abandoned NSP properties pending disposition, including legal services, financial services, appraisals, surveys and transfer costs. The Land Bank does not currently have any properties in its inventory so no disposition costs have been incurred.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/200

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: 03 NSP Pub Imp
Activity Title: Public Improvement

Activity Category:
 Clearance and Demolition

Activity Status:
 Planned

Project Number:
 NSP-03

Project Title:
 NSP-Public Improvements

Projected Start Date:
 09/01/2009

Projected End Date:
 03/30/2013

National Objective:
 NSP Only - LMMI

Responsible Organization:
 City of Detroit Planning & Dev Dept

Overall	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	\$2,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$2,000,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Planning & Dev Dept	\$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:

Public Improvement activities will assist in stabilizing neighborhoods through the redevelopment of vacant land and parcels where demolition activities have occurred. Planning to landscape approximately 1300 acres of vacant land

Location Description:

Locations to be determined in the nine target areas

Activity Progress Narrative:

Public Improvements
 P&DD staff reviewed and re-evaluated the plans for NSP Public Improvements. A final plan for implementation will be decided during the second quarter of 2010. The City is looking to leverage the public improvement dollars to fund projects that are visible and will have maximum impact.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1885

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: 04 NSP Demolition**Activity Title: Demolition****Activity Category:**

Clearance and Demolition

Activity Status:

Planned

Project Number:

NSP-04

Project Title:

NSP Demolition

Projected Start Date:

04/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Detroit Buildings & Safety Eng

Overall**Jan 1 thru Mar 31, 2010****To Date**

Total Projected Budget from All Sources	N/A	\$14,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$14,000,000.00
Program Funds Drawdown	\$0.00	\$590,458.56
Obligated CDBG DR Funds	\$3,549,541.44	\$4,140,000.00
Expended CDBG DR Funds	\$81,238.60	\$671,697.16
City of Detroit Buildings & Safety Eng	\$81,238.60	\$671,697.16
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Demolish blighted and abandoned structures

Location Description:**Activity Progress Narrative:**

Demolition

This quarter the P&DD Planning Division forwarded eligible NSP areas to Buildings and Safety Engineering for processing and final demolition. The City of Detroit has demolished 15 eligible housing units this quarter totaling \$81,238.60. See addresses listed above. Note: although a voucher was submitted and approved for \$196,493.15 on 3/31/10, the voucher had a LOCCS transaction date of 4/1/10 and will not be reflected until the second quarter. The addresses listed above will not be included in the next quarterly report when the payment is shown.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	15	0/0	0/0	67/1400

Activity Locations

Address	City	State	Zip
287 King	Detroit	NA	48202
4618 30th	Detroit	NA	48210
4999 35th	Detroit	NA	48210
3101 Crane	Detroit	NA	48214
19188 Exeter	Detroit	NA	48203
3690 Sylvester	Detroit	NA	48207
4915 McKinley	Detroit	NA	48208
2940 Belvidere	Detroit	NA	48214
5228-30 Grandy	Detroit	NA	48211
3027 Holcomb	Detroit	NA	48214
8938 Goethe	Detroit	NA	48214
19176 Exeter	Detroit	NA	48203
14169 Pinehurst	Detroit	NA	48238

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: 10 NSP Admin

Activity Title: Administration

Activity Category:

Administration

Project Number:

NSP-10

Projected Start Date:

10/01/2008

National Objective:

N/A

Activity Status:

Under Way

Project Title:

NSP Administration

Projected End Date:

03/30/2013

Responsible Organization:

City of Detroit Planning & Dev Dept

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$4,713,769.00
Total CDBG Program Funds Budgeted	N/A	\$4,713,769.00
Program Funds Drawdown	\$1,104.00	\$4,884.00
Obligated CDBG DR Funds	\$0.00	\$4,713,769.00
Expended CDBG DR Funds	\$1,104.00	\$4,884.00
City of Detroit Planning & Dev Dept	\$1,104.00	\$4,884.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration and management of the NSP program

Location Description:

Activity Progress Narrative:

Administration

Administrative expenditures included advertising the NSP notice for request of qualifications for assistance in administering NSP funds. The first quarter of 2010 involved the development and review of legal agreements, processes and procedures needed to implement NSP housing programs. With the assistance of legal counsel, Housing Services staff completed Development and Loan Agreement documents. Housing staff are also providing documentation on procedures and draft development agreements to the NSP developers. A total of four (4) funding obligation letters resulting in \$4,200,000 in new construction obligations. Twenty three (23) initial funding reservation letters will obligate the housing rehabilitation allocation balance of \$13,973,921. Division staff has prioritized NSP projects with developers to assist them in completing necessary work on their projects. It is anticipated that five (5) additional NSP temporary staff support will be brought aboard in the next quarter.

Housing Division staff convened meetings with two local financing institutions, Michigan Housing Trust Fund and Shorebank, in an effort to leverage NSP program funds through partnership with the City of Detroit. Current banking restrictions and other pertinent issues were discussed. These restrictions could limit private resources for developers to use for their construction and permanent financing needs. This information further supported the staff decision to allow increased per unit costs where necessary (to fill the funding gap with NSP dollars).

The Housing Division Management Team also attended the HUD sponsored NSP "Problem-Solving Clinic". The clinic focused on providing strategies, best practices and other information useful to P&DD staff.

FRM and contractual staff are also designing an NSP database to track/confirm the following:

- Addresses are in NSP areas

- Addresses are in income eligible areas
- Expenditures
- Obligations
- Program Income
- Various information required in the DRGR system

In addition, P&DD's Planning Division spent time conducting studies, analyses, and reports on NSP activities and locations. P&DD staff also spent significant time identifying eligible units for demolition so that demolition is strategic and has impact. Demolition targets included blighted properties in close proximity to schools, structures identified by the community at the community input meetings, blighted and vacant structures in areas where the City will invest in new construction or rehabilitation, and areas where the Michigan Land Bank is also demolishing units. The P&DD NSP Team also met with the local Field Office relevant to review and to assess DRGR application.

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: 14 NSP New Construction

Activity Title: New Construction

Activity Category:

Construction of new housing

Activity Status:

Planned

Project Number:

NSP-12

Project Title:

NSP New Construction

Projected Start Date:

07/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Detroit Planning & Dev Dept

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$4,250,000.00
Total CDBG Program Funds Budgeted	N/A	\$4,250,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$4,200,000.00	\$4,200,000.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Planning & Dev Dept	\$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:

Affordable housing projects will be developed for sale, rent, or lease-purchase

Location Description:

Activity Progress Narrative:

New Construction

As of the end of the 1st quarter of 2010, the Housing Services Division has obligated a total of \$4,200,000. towards four (4) new construction projects within the city's NSP target areas of greatest need. These projects also anticipate funding from the State's Low Income Housing Tax Credit (LIHTC) Program, and had been stalled for several months due to the severe economic downturn and further constriction of bank participation in the purchase of the LIHTC credits. Thanks to the department's partnership and cooperation with MSHDA, along with the State's T-Cap funding, these four projects have a major opportunity for success. The NSP program will allow us to provide the necessary funding to fill the gap for these projects to make them viable once again. The four projects will create a total of 168 units of new housing which will replace some of the existing blighted housing stock that will be demolished under a separate activity within the city's NSP plan.

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	0/400

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: 14 NSP Rehab

Activity Title: Rehabilitation

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Planned

Project Number:

NSP-14

Project Title:

NSP Rehabilitation

Projected Start Date:

07/01/2009

Projected End Date:

03/30/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Detroit Planning & Dev Dept

Overall

Jan 1 thru Mar 31, 2010

To Date

Total Projected Budget from All Sources	N/A	\$13,973,921.00
Total CDBG Program Funds Budgeted	N/A	\$13,973,921.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Detroit Planning & Dev Dept	\$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:

Rehabilitation of single and multi-family rentals and lease-purchase will benefit individuals/families at or below 50% AMI

Location Description:

Activity Progress Narrative:

Rehabilitation

The P&DD rehabilitation specialists have performed inspections to determine the preliminary feasibility of several rehab projects and conducted site reviews for the new construction projects as well. The rehabilitation inspectors have been working in concert with the developers of the rehab projects to ensure quality specifications are written, and that the highest quality and energy efficient renovations allowable under the program will occur. This coordination effort will ensure that the housing stock rehabilitated under the city's NSP plan will be the most sustainable product for the planned expenditure. This service will be provided on an ongoing basis by the rehabilitation staff throughout the length of the NSP plan, as part of program delivery costs. We anticipate obligating an additional \$2,794,784 per month on average for the next 5 months. This aggressive schedule will allow us to meet the obligation requirement in advance of the September 30, 2010 deadline.

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	0/392
# of Households benefitting	0	0	0	0/392	0/0	0/392

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
