

Grantee: Fresno, CA

Grant: B-08-MN-06-0003

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-06-0003

Obligation Date:**Grantee Name:**

Fresno, CA

Award Date:**Grant Amount:**

\$10,969,169.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:**Recovery Needs:****Overall****This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$10,919,169.00

Total CDBG Program Funds Budgeted

N/A

\$10,919,169.00

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

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	\$1,645,375.35	\$0.00
Limit on Admin/Planning	\$1,096,916.90	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

Overview of NSP

The City of Fresno executed the NSP agreement with the U.S. Department of Housing and Urban Development on March 17, 2009 to receive \$10,969,169 under the Neighborhood Stabilization Program (NSP). NSP provides funds to jurisdictions to address the impact the national foreclosure crisis has had on local neighborhoods.

Partner Selection Process

In an effort to identify viable NSP partners, the City underwent an outreach process to inform the local housing community on NSP and to obtain feedback on project concepts, funding priorities, and issues directly related to the crisis in Fresno. Non-profit and for-profit agencies were encouraged to submit applications for implementation of NSP. Applications were accepted October 2008 through April 3, 2009. Six applicants were chosen for further review and an interview round was completed in April 2009. A team of City staff members and a councilmember was organized to interview proposed applicants, score applications (based upon interview responses and application soundness), and provide ongoing oversight. The NSP Team consists of: Councilmember Lee Brand; Craig Scharton, Director; Keith Bergthold, Assistant Director; Claudia Cazares, Housing Manager; Crystal Smith, Management Analyst III; and Greg Barfield, Management Analyst III.

The NSP Team selected four applicants for a second round of interviews. The interviews were conducted in June 2009, and served to ensure the companies were apprised of City requirements and to verify their continued interest in the program. All companies were responsive to City requirements and agreed to participate in the NSP at the funding levels subsequently approved by Council at the June 18, 2009 meeting.

Council approved NSP subrecipients/developers and awards are as follows:

Agency

Award

Activity

Units Produced

Fresno Housing Authority

5,000,000

Acquisition, Homeownership Assistance

35 homes
CURE
800,000
Acquisition, Rehabilitation, and
Homeownership Assistance
11 homes.
Redevelopment Agency
800,000
Acquisition, Rehabilitation, and
Homeownership Assistance
11 homes
2M Development Corp.
500,000
Acquisition, Rehabilitation, and
Homeownership Assistance
10 homes

Current Status

Since Council adoption of the subrecipients and developers, staff has worked to: 1) Identify and clarify a myriad of HUD-imposed rules; 2) worked with the City Attorney's Office to draft a contract template; 3) written policies and procedures for the program; 4) Coordinated with the Mayor's office for program guidance; 5) assisted in setting up first look programs for the subrecipients; 6) continued meetings and discussions with the selected subrecipients; and 7) prepared for the audit of NSP by the Office of the Inspector General which was initiated on September 8, 2009.

NSP Contract Execution and Expenditures

Contracts with the Redevelopment Agency, CURE, and 2M Corporation have been executed and bulk acquisition activities are expected to occur in October 2009. No NSP project expenditures have been incurred. NSP Administration expenditures have been accrued and will be charged to NSP in October 2009.

Milestones

Below are key milestones that must be met over the next year to ensure program success and compliance.

Milestone

Date

- Annual Action Plan Substantial Amendment
September 24, 2009
- Contract Execution (CURE, RDA, 2M Corp)
October 15, 2009
- Contract Execution (Housing Authority)
October 30, 2009
- First Round of Property Acquisition
October – December 2009
- RFP for 25% set aside for very-low income
November 2009
- Evaluation of Subrecipient Performance
December 31, 2009
- Property Rehabilitation
January 2010 – ongoing
- Award RFP for 25% set aside requirement
February 2010
- Second Round of Property Acquisition
February – March 2010
- Contract Execution for set aside projects
March 2010
- Evaluation of Subrecipient Performance
March 2010

- Corrective Action for Underperforming Subs
March 2010
- Continued Acquisition
August 2010
- Obligation/Expenditure Deadline
September 30, 2010

The milestone with the associated deadline dates are set with minimal leeway. Meeting the aforementioned schedule will allow the City to meet its obligations under NSP. Staff will provide frequent reports to the Mayor's Office and Council on the performance of NSP development projects.

Questions on NSP projects can be directed to Claudia Cazares at ext. 8356. Questions on NSP oversight and regulatory requirements can be directed to Crystal Smith at ext. 8507.

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
CM 0619-01Acq, Acquisition	\$5,780,000.00	\$0.00	\$5,780,000.00	\$0.00
CM 0619-01AcqPov, Acquisition for Setaside Activities	\$2,772,252.10	\$0.00	\$2,772,252.10	\$0.00
CM 0619-05RFin, Homeownership Assistance	\$860,000.00	\$0.00	\$860,000.00	\$0.00
CM 0619-14ARE, Rehabilitation	\$460,000.00	\$0.00	\$460,000.00	\$0.00
CM021, General Administration	\$1,096,916.90	\$0.00	\$1,096,916.90	\$0.00