

Grantee: Grand Rapids, MI

Grant: B-08-MN-26-0006

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-26-0006

Grantee Name:

Grand Rapids, MI

Grant Amount:

\$6,187,686.00

Grant Status:

Active

Submitted By:

No Submitter Found

Obligation Date:

03/24/2009

Award Date:

03/19/2009

Contract End Date:

06/30/2013

Review by HUD:

Reviewed and Approved

Disasters:**Declaration Number**

NSP

Plan Description:**Recovery Needs:****Overall****Total Projected Budget from All Sources****Total CDBG Program Funds Budgeted****Program Funds Drawdown****Obligated CDBG DR Funds****Expended CDBG DR Funds****Match Contributed****Program Income Received****Program Income Drawdown****This Report Period**

N/A

N/A

\$249,190.07

\$249,190.07

\$259,600.65

\$0.00

\$0.00

\$0.00

To Date

\$6,187,686.00

\$6,187,686.00

\$389,239.27

\$389,239.27

\$399,649.85

\$0.00

\$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	\$928,152.90	\$0.00
Limit on Admin/Planning	\$618,768.60	\$222,494.17
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The second quarter of the NSP 1 program has progressed in acquisition of properties. Properties are acquired and accepted for the NSP program with a development agreement before moving on to begin rehabilitation. At the date of this report, 21 properties are under agreement, 4 are in the process of development agreement execution, and 18 properties are currently being submitted. Four of the properties under agreement, and 6 properties submitted for an agreement are intended to benefit 50%AMI or less.

Properties under agreement:

Count

Developer

Property Address

Projected Construction Completion Date

1

Habitat for Humanity (50%AMI)

1029 Hovey Street SW

3/15/2010

2

Habitat for Humanity (50%AMI)

570 Liberty Street SW

2/25/2010

3

Habitat for Humanity (50%AMI)

645 Prince St. SE

3/1/2010

4

Habitat for Humanity (50%AMI)

721 Griggs St. SW

2/1/2010

6

ICCF Nonprofit Housing Corp.

1063 Ardmore SE

2/1/2010

7

ICCF Nonprofit Housing Corp.

1120 Thomas Street SE

4/15/2010

8

ICCF Nonprofit Housing Corp.
134 Kirtland St. SW

2/1/2010

9

ICCF Nonprofit Housing Corp.
136 Kirtland St. SW

2/1/2010

10

Lighthouse Communities, Inc.
1453 Giddings Ave. SE

1/1/2010

11

Lighthouse Communities, Inc.
1727 Giddings Ave. SE

1/15/2010

12

Lighthouse Communities, Inc.
1910 Thelma St. SE

2/1/2010

13

Bender Facility Maintenance
1070 Kalamazoo Ave. SE

10/15/2010

14

Bender Facility Maintenance
465 Adams St. SE

2/15/2010

15

Bender Facility Maintenance
642 Dickinson St. SE

3/15/2010

16

Bender Facility Maintenance
996 Eton St. SW

3/1/2010

18

Double Otis
1105 Worden St. SE

3/15/2010

19

Double Otis
1323 Underwood Ave. SE

2/25/2010

20

Double Otis
920 Oxford St. SW

2/1/2010

21

Mohawk Construction
1147 Alto Ave. SE

2/15/2010

Pending Properties submitted:

1

Next Step of West Michigan
1106 Watkins SE

In process

2

The Redstone Group
1145 Adams St. SE

In process

3
New Development
1240 Morgan St. NW
In process

4
Lee Kitson Builder, Inc.
145 Ann St. SE
In process

5
Lighthouse Communities, Inc.
751 Griggs St. SE
Pending contract

6
Lee Kitson Builder, Inc.
857 Nagold St NW
Pending contract

7
Habitat for Humanity (50%AMI)
965 Powers Ave NW
Pending contract

8
Habitat for Humanity (50%AMI)
40 Stewart St. SW
Pending contract

9
Habitat for Humanity (50%AMI)
522 Liberty St. SW
Pending contract

10
ICCF Nonprofit Housing Corp.
1826 Collins Ave. SE
Pending contract

11
ICCF Nonprofit Housing Corp.
1117 Prince St. SE
Pending contract

12
Habitat for Humanity (50%AMI)
1147 Cooper SE
Pending contract

13
Mohawk Construction Group LLC
600 Henry Ave SE
Pending contract

14
Mohawk Construction Group LLC
1217 Elliott St SE
Pending contract

15
Mohawk Construction Group LLC
1035 Alto Ave SE
In process

16
Redstone
1513 North Ave. NE
Pending contract

17
Lighthouse Communities (50%AMI)
1859 Union Ave. SE
Pending contract

18
Lighthouse Communities(50%AMI)

1135 Dickinson St. SE
Pending contract

Project Summary

Project #, Project Title

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
NSP Admin, NSP Administration	\$0.00	\$75,138.87	\$618,768.00	\$215,188.07
NSP G1, Acquisition/Construction	\$0.00	\$174,051.20	\$4,875,000.00	\$174,051.20
NSP G2, Homebuyer Assistance	\$0.00	\$0.00	\$613,918.00	\$0.00
NSP G3, Demolition/Deconstruction	\$0.00	\$0.00	\$80,000.00	\$0.00
NSP G4, 25%-50AMI	\$0.00	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: Adm-001

Activity Title: NSP Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NSP Admin

Project Title:

NSP Administration

Projected Start Date:

03/15/2009

Projected End Date:

03/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Grand Rapids Community Development Department

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources

N/A

\$618,768.00

Total CDBG Program Funds Budgeted

N/A

\$618,768.00

Program Funds Drawdown

\$75,138.87

\$215,188.07

Obligated CDBG DR Funds

\$75,138.87

\$215,188.07

Expended CDBG DR Funds

\$82,444.97

\$222,494.17

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

Administration of Neighborhood Stabilization Program Grant.

Location Description:

N/A - Administration Activity

Activity Progress Narrative:

Note: The program expenditures exceed the program obligations by \$7,306.10 which was spent in the quarter ended 9/30/09 but not drawn until Oct. 5, 2009.

During the second quarter of the program, the acquisition and rehabilitation processes were refined. Selected non-profit and for-profit developers have been acclimating themselves to the program. As a result, staff has spent extra time working with partners to understand process, requirements, and compliance. Access to properties improved as a result of the First Look Program, the reduction from the 15% to 1% discount on property acquisition, and continued partnership with the Great Lakes Capital Fund and Grand Rapids Community Foundation.

Qualified participating developers:

Bender Facility Maintenance, Inc.

Diversified Developers of Detour LLC

Double O Supply and Craftsmen, Inc.

Grand Rapids Housing Commission

Habitat for Humanity of Kent County

Heartside Nonprofit Housing Corporation

ICCF Nonprofit Housing Corporation

Lee Kitson Builder, Inc.

Lighthouse Communities, Inc.

The MoHawk Construction Group, LLC

New Development Corporation

Next Step of West Michigan

Redstone Group

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
NSP	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number: G1-001

Activity Title: Acquisition / Construction

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

NSP G1

Project Title:

Acquisition/Construction

Projected Start Date:

03/20/2009

Projected End Date:

03/20/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

The City of Grand Rapids Community Development

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$3,328,078.00
Total CDBG Program Funds Budgeted	N/A	\$3,328,078.00
Program Funds Drawdown	\$174,051.20	\$174,051.20
Obligated CDBG DR Funds	\$174,051.20	\$174,051.20
Expended CDBG DR Funds	\$177,155.68	\$177,155.68
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This activity will allow the acquisition and rehabilitation of homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop. Properties to be acquired will be selected by the City in consultation with developers and other interested parties, such as neighborhood associations. Foreclosed properties will be acquired by the City or by a developer with NSP funds from various entities holding property title such as HUD, and local and national financial institutions. Developers will be responsible for preparing work specifications for review and approval by the City and contracting with properly licensed contractors in accordance with City prescribed procedures. The developer will be responsible for completing rehabilitation of the property, marketing of the property, and identifying qualified households to occupy NSP-assisted units. NSP-assisted properties must comply with applicable building codes, lead-based paint and asbestos abatement requirements; City housing code, and rehabilitation and energy standards.

Location Description:

Specific addresses will vary depending on criteria as described in Section B of this amendment, Distribution and Uses of Funds. Specific addresses must meet the definition of a foreclosed or abandoned property as defined on pages 58331 and 58332 of the Federal Register Vol. 73, No. 194.

Activity Progress Narrative:

Note: Program expenditures exceed program obligations by \$3,104.48 due to expenditures which occurred prior to 9/30/09 but which were not drawn down until 10/05/09.

During the second quarter of the NSP 1 program, 3 properties have notices to commence work, and one of those is close to completion. Those properties are 1453 Giddings SE, 1727 Giddings SE and 1910 Thelma SE.

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	0/35

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number:	G2-001
Activity Title:	Homebuyer Assistance

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Planned

Project Number:

NSP G2

Project Title:

Homebuyer Assistance

Projected Start Date:

03/20/2009

Projected End Date:

03/20/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Grand Rapids Community Development Department

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$613,918.00
Total CDBG Program Funds Budgeted	N/A	\$613,918.00
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:

Homebuyer assistance for the NSP program will be administered much like the existing Homebuyer Assistance Fund Program (HAF) to provide down payment and reasonable closing costs incurred in the purchase of property in NSP target areas. However, for NSP properties, an amount up to 20% of the home purchase price will be available to each eligible household; and there will be no restriction of being a first-time homebuyer. Program subsidies will be provided as five-year, zero-interest forgivable loans which are secured by a promissory note and mortgage subordinate to those of the primary lenders. Although there are no restrictions on the type of mortgage that can be used as a first mortgage in conjunction with the Program, it is anticipated that mortgages approved by the Federal Housing Administration (FHA) will be widely used. The City will execute a Memorandum of Understanding with each eligible lender who wishes to participate in the program. All underwriting and execution of required state and federal certifications or affidavits will be performed by the participating lenders. Lenders will process financing of all types, using normal procedures, with additional procedures as necessary to satisfy Program requirements. A purchaser of an eligible new or existing single or two family residence may apply for homebuyer assistance through a HAF participating lender. The lender must process the application in conjunction with the processing of a mortgage loan and obtain approval of the application from the City of Grand Rapids before the loan closing. A home owner cannot apply for program funds after the mortgage loan has been closed. Program funds cannot be provided to a homebuyer who is refinancing an existing mortgage or land contract, or purchasing a home on a land contract. A Homebuyer may be required to repay a pro-rated amount of the Program subsidy upon the sale or disposition of their interest in the assisted-property and/or upon vacation of the property.

Location Description:

Specific addresses will vary depending on criteria as described in Section B of this amendment, Distribution and Uses of Funds. Specific addresses must meet the definition of a foreclosed or abandoned property as defined on pages 58331 and 58332 of

Activity Progress Narrative:

As of the second quarter, there is no activity for homebuyer assistance. It is too early in the program for this project to begin.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	0	0/10	0/30	0/40

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number: G3-001

Activity Title: Demolition (Deconstruction)

Activity Category:

Clearance and Demolition

Activity Status:

Planned

Project Number:

NSP G3

Project Title:

Demolition/Deconstruction

Projected Start Date:

03/20/2009

Projected End Date:

03/20/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Grand Rapids Community Development Department

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources

N/A

\$80,000.00

Total CDBG Program Funds Budgeted

N/A

\$80,000.00

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:

The City will demolish blighted structures using deconstruction methods to eliminate waste and protect the environment in compliance with the following City ordinances and codes. There will be no individual benefit to income qualified persons, but there will be an area-wide benefit (see(3) above.) City of Grand Rapids Zoning Ordinance (Chapter 61) Sec. 5.2.03. Alterations, Enlargements and Demolitions. A. Alterations and Enlargements. Existing buildings or structures shall not be modified, converted, enlarged, reconstructed, demolished, moved or structurally altered, except as permitted by or pursuant to this Chapter. B. Demolitions. Existing buildings or structures shall not be demolished, except as follows: 1. Site Plan and Reuse of Lot. Where a site plan for the redevelopment of the subject lot and the new use has been approved pursuant to this Chapter or is permitted by this Chapter without any approval; or 2. Building or Housing Code. Where the demolition has been authorized by Chapters 131 General Building Regulations or 140 Housing of the City Code, or required by a court or governmental agency or official of competent jurisdiction. Obtaining a building, demolition or other permit does not ensure compliance with this provision. City of Grand Rapids Housing Code (Chapter 140) Sec. 8.725. Standards for Demolition Orders. Notice to Repair or Demolish shall be issued for a structure instead of a Notice of Violation in any of the following circumstances: (1) Where a City estimate of the cost of the repair for compliance with the requirements of this Chapter is greater than a City Assessor estimate of the resale value of the dwelling after being brought to compliance. (2) Where a City estimate of the cost of repair for compliance with the requirements of this Chapter is greater than twice the City Assessed Valuation of the dwelling alone. (3) Where a structure has been condemned as unfit for human occupancy pursuant to Section 8.700(6) of this Chapter. (4) Where the City has declared a structure hazardous.

Location Description:

Specific addresses will vary. Targeted areas are based on need and additional criteria as described in Section A of this amendment, Areas of Greatest Need. Specific addresses must meet the definition of a foreclosed or abandoned property as defined on pages 58331 and 58332of the Federal Register Vol. 73, No. 194.

Activity Progress Narrative:

Properties suitable for demolition have not yet been determined.

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	0/8

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP	\$0.00
Total Other Funding Sources	\$0.00
