

Grantee: Grand Rapids, MI

Grant: B-08-MN-26-0006

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-26-0006

Grantee Name:

Grand Rapids, MI

Grant Amount:

\$6,187,686.00

Grant Status:

Active

QPR Contact:

Eileen Pierce

Disasters:**Declaration Number**

NSP

Plan Description:**Recovery Needs:****Obligation Date:**

03/24/2009

Award Date:

03/19/2009

Contract End Date:

06/30/2013

Review by HUD:

Reviewed and Approved

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

\$502,583.32

\$1,102,460.52

\$492,172.74

\$0.00

\$0.00

\$0.00

To Date

\$6,187,686.00

\$6,187,686.00

\$891,822.59

\$1,491,699.79

\$891,822.59

\$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	\$290,257.35
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The third quarter of the NSP 1 program has progressed with 37 properties under development agreement (funds committed to the project), 4 are in the process of development agreement execution, and 4 properties are pending inclusion in the program. Two properties have been completed and potential homeowners are applying for mortgages. Details of the properties in progress, (developer, street address, and projected completion date are included in the rehab/construction portion of this report.

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 Admin, NSP Administration	\$75,069.28	\$618,768.00	\$290,257.35
NSP G1, Acquisition/Construction	\$427,514.04	\$4,875,000.00	\$601,565.24
NSP G2, Homebuyer Assistance	\$0.00	\$613,918.00	\$0.00
NSP G3, Demolition/Deconstruction	\$0.00	\$80,000.00	\$0.00
NSP G4, 25%-50AMI	\$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

Oct 1 thru Dec 31, 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	\$75,069.28	\$290,257.35
Obligated CDBG DR Funds	\$75,069.28	\$290,257.35
Expended CDBG DR Funds	\$67,763.18	\$290,257.35
City of Grand Rapids Community Development Department	\$67,763.18	\$290,257.35
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:

Program drawdowns in this quarter are \$7,306.10 more than Program Funds Expended this quarter due to expenditures which occurred in the prior quarter that were not drawn down until the current quarter.

Administration of the program involves oversight of nine developers performing the acquisition and rehab, including assistance with writing specifications.

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

Total Other Funding Sources

\$0.00

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	Oct 1 thru Dec 31, 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	\$427,514.04	\$601,565.24
Obligated CDBG DR Funds	\$558,727.24	\$732,778.44
Expended CDBG DR Funds	\$424,409.56	\$601,565.24
The City of Grand Rapids Community Development	\$424,409.56	\$601,565.24
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:

Program drawdowns in this quarter are \$3,104.48 more than Program Funds Expended this quarter due to expenditures which occurred in the prior quarter that were not drawn down until the current quarter. The following information lists details of the developer, address, and projected project completion date.

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 (completed)
5
Habitat for Humanity (50%AMI)
1003 Merrill Ave. SW
6/1/2010
6
Habitat for Humanity (50% AMI)
633-635 Olympia Street SW
5/15/2010
7
Habitat for Humanity (50% AMI)
133 Corinne St. SW
5/1/2010
8
Habitat for Humanity (50% AMI)
1011 Lincoln Ave. NW
6/15/2010
9
Habitat for Humanity (50% AMI)
848 Alpine Ave. NW
7/15/2010
10
ICCF Nonprofit Housing Corp.
1063 Ardmore SE
2/1/2010
11
ICCF Nonprofit Housing Corp.
1120 Thomas Street SE
4/15/2010
12
ICCF Nonprofit Housing Corp.
134 Kirtland St. SW
2/1/2010
13
ICCF Nonprofit Housing Corp.
136 Kirtland St. SW
2/1/2010
14
ICCF Nonprofit Housing Corp.
1826 Collins Ave. SE
6/15/2010
15
ICCF Nonprofit Housing Corp.
1117 Prince St. SE
6/15/2010
16
Lighthouse Communities, Inc.
1453 Giddings Ave. SE
1/1/2010
17
Lighthouse Communities, Inc.
1727 Giddings Ave. SE
1/15/2010 (completed)
18

Lighthouse Communities, Inc.
751 Griggs St. SE
3/15/2010
19
Lighthouse Communities, Inc.
1910 Thelma St. SE
2/1/2010
20
Bender Facility Maintenance
1070 Kalamazoo Ave. SE
10/15/2010
21
Bender Facility Maintenance
465 Adams St. SE
2/15/2010
22
Bender Facility Maintenance
642 Dickinson St. SE
3/15/2010
23
Bender Facility Maintenance
996 Eton St. SW
3/1/2010
24
Bender Facility Maintenance
119 National Ave. SW
4/21/2010
25
Lee Kitson Builder, Inc.
119 Burr Oak Street NE
3/15/2010
26
Lee Kitson Builder, Inc.
145 Ann St. NE
2/1/2010
27
Lee Kitson Builder, Inc.
857 Nagold St. NW
2/15/2010
28
Lee Kitson Builder, Inc.
415 Marietta St. NE
4/1/2010
29
Double Otis
1105 Worden St. SE
3/15/2010
30
Double Otis
1323 Underwood Ave. SE
2/25/2010
31
Double Otis
920 Oxford St. SW
2/1/2010
32
Mohawk Construction
1147 Alto Ave. SE
2/15/2010
33
Mohawk Construction
1035 Alto Ave. SE
5/1/2010
34
Mohawk Construction
1217 Elliot St. SE
7/1/2010
35

New Development Corp
 1240 Morgan St. NW
 4/15/2010
 36
 Next Step of West Michigan (50%AMI)
 1315 Lake Michigan Dr. NW
 5/1/2009
 37
 Next Step of West Michigan (50%AMI)
 1106 Watkins SE
 2/1/2010

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	2	0/0	0/0	2/35

Activity Locations

Address	City	State	Zip
721 Griggs St SW	Grand Rapids	NA	49509
1727 Giddings Ave SE	Grand Rapids	NA	49507

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

Project Number:

NSP G2

Projected Start Date:

03/20/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Homebuyer Assistance

Projected End Date:

03/20/2013

Responsible Organization:

City of Grand Rapids Community Development Department

Overall	Oct 1 thru Dec 31, 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	\$468,664.00	\$468,664.00
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 the Federal Register Vol. 73, No. 194.

Activity Progress Narrative:

Construction on NSP homes are in various stages, with two being completed. There are buyers interested in the first two homes completed, but mortgages and downpayment assistance have not yet been secured. It is anticipated this will increase in future quarters.

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	Oct 1 thru Dec 31, 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:

There have been no properties submitted for demolition as of the third quarter. Due to the opportunities to rehabilitate, there has been no active pursuit of demolition properties. The nature of the neighborhoods in the NSP1 target area are such that demolition is a last resort. To date, there have been no properties selected for demolition as no locations have been identified where demo would have a significant positive impact for revitalization. It is becoming apparent the initial estimate of eight demolitions was too high.

When appropriate properties are selected, 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 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.

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
