

Grantee: Hennepin County, MN

Grant: B-08-UN-27-0003

April 1, 2020 thru June 30, 2020 Performance Report

Grant Number: B-08-UN-27-0003	Obligation Date: 03/20/2009	Award Date: 03/09/2009
Grantee Name: Hennepin County, MN	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$3,885,729.00	Grant Status: Active	QPR Contact: Tonja West-Hafner
LOCCS Authorized Amount: \$3,885,729.00	Estimated PI/RL Funds: \$2,172,695.02	
Total Budget: \$6,058,424.02		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

Hennepin County, located within the Minneapolis-St. Paul-Bloomington, MN-WI MSA, is the largest unit of local government in the State of Minnesota. There are 46 municipalities within the County, with an estimated population of over 1.1 million people. Approximately one-third of the County's population lives in Minneapolis with the remaining two-thirds residing in suburban Hennepin County. The County encompasses 611 square miles. According to the U.S. Census Bureau, there were an estimated 495,993 housing units in Hennepin County in 2006; approximately 36 percent of housing units are in multi-unit structures (2000 Census data). Both in-court and out-of-court foreclosure proceedings are used in Minnesota; with both types of foreclosure proceedings, the borrower can stop the foreclosure any time before the foreclosure sale by paying the default amount, plus fees and allowable costs. The timeline for a Minnesota foreclosure is approximately four months, not including the redemption period (a borrower usually has a six-month redemption period, but some property types and mortgages allow for a 12-month redemption period). Consistent with national trends, Hennepin County has been significantly impacted by high rates of mortgage foreclosure. The number of mortgage foreclosure sales in Hennepin County (including suburban Hennepin County and the City of Minneapolis) increased from 920 in 2002 to 5,563 in 2007. A 34 percent foreclosure rate increase is forecast for 2008, when the number of foreclosure sales is expected to exceed 7,000 (there have been 5,603 mortgage foreclosure sales from January 1, 2008 through September 30, 2008). Source: Hennepin County Sheriff's Office (includes city of Minneapolis) Foreclosures in Hennepin County initially hit some cities/neighborhoods particularly hard: North Minneapolis, Brooklyn Park, Brooklyn Center, Robbinsdale and Crystal. Most experts agree that Hennepin County will continue to experience high rates of foreclosure and resulting problems for several years to come, spreading across additional cities as different categories of risky mortgages come under stress. Early in 2007, the Hennepin County Board of Commissioners recognized the increasing impact of mortgage foreclosures in Hennepin County. The County Board responded in the short term by providing foreclosure prevention counseling funds. In order to facilitate a broader, multifaceted response to the mortgage foreclosure crisis, the County Board also established a Hennepin County Foreclosure Task Force, which included representatives of the following departments: County Attorney; Sheriff's Office; Office of Budget and Finance; Taxpayer Services; Housing, Community Works and Transit; Human Services and Public Health; County Administration; and County Assessor. The Foreclosure Task Force completed an initial report which is available at www.hennepin.us/neighborhoodstabilizationprogram. The Foreclosure Task Force continues to meet and report quarterly to the County Board. The U.S. Department of Housing and Urban Development (HUD) has provided data from four sources (listed below) that are used to predict whether or not a Census Tract Block Group ("CTBG" or "neighborhood") has a high or low risk for foreclosed and abandoned homes ("Estimated Foreclosure Abandonment Risk Score"): Office of Federal Housing Enterprise Oversight (OFHEO) data on decline in home val

Areas of Greatest Need:

ues as of June 2008 compared to peak home value since 2000 at the Metropolitan/Micropolitan/Non-Metropolitan level. Federal Reserve Home Mortgage Disclosure Act (HMDA) data on percent of all loans made between 2004 and 2006 that are high cost at the Census Tract Level. Labor Department data on unemployment rates in places and counties as of June 2008. USPS data on residential addresses identified as being vacant for 90 days or longer as of June 2008 at the Census Tract level.

Distribution and and Uses of Funds:

Hennepin County, as the lead agency of the Urban Hennepin County Community Development Block Grant (CDBG) Program, has received an allocation of \$3,885,729 from the U.S. Department of Housing and Urban Development (HUD) under the Neighborhood Stabilization Program (NSP). This program is to assist in the redevelopment of abandoned and foreclosed homes, and was authorized by the Housing and Economic Recovery Act of 2008 (HERA), signed July 31, 2008. The Urban Hennepin County CDBG Program consists of Hennepin County and 40 suburban cities, which have all executed Joint



Cooperation Agreements enabling the County to secure and administer CDBG Program funding. In allocating NSP funds, HUD requires recipients to target those areas of greatest need, based on: The number and percentage of home foreclosures; The number and percentage of homes financed by a subprime mortgage related loan; and The number and percentage of homes in default or delinquency. Using data compiled by HUD and local data on the number of mortgage foreclosure sales from January 1, 2007 through September 30, 2008, staff has identified 12 suburban cities with the greatest concentrations of NSP target areas: Tier One (highest need) Brooklyn Center and Brooklyn Park. Tier Two; Champlin, Hopkins, Crystal, Maple Grove, New Hope, Mound, Richfield, Osseo, Robbinsdale and St. Louis Park. Together these 12 cities represent approximately 67 percent (3,824 out of 5,723) of mortgage foreclosure sales in suburban Hennepin County from January 1, 2007 through September 30, 2008. Hennepin County has formulated an NSP strategy based on discussions with the County Board throughout the year regarding housing foreclosure and related issues and dialogue with suburban cities, the city of Minneapolis, Minnesota Housing, the Family Housing Fund and other organizations actively involved in housing and foreclosure issues.

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$6,058,424.02
Total Budget	\$0.00	\$6,058,424.02
Total Obligated	\$0.00	\$6,058,424.02
Total Funds Drawdown	\$0.00	\$6,058,424.02
Program Funds Drawdown	\$0.00	\$3,885,729.00
Program Income Drawdown	\$0.00	\$2,172,695.02
Program Income Received	\$0.00	\$2,172,695.02
Total Funds Expended	\$0.00	\$5,918,400.40
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$582,859.35	\$0.00
Limit on Admin/Planning	\$388,572.90	\$324,919.14
Limit on Admin	\$0.00	\$324,919.14
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$1,514,606.01	\$1,699,497.38



Overall Progress Narrative:

All activities are essentially complete. We are doing a final reconciliation of units and funding. It's possible we may still need to add units or adjust budgets. See future QPRs for updates.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Financing Mechanisms -- NSP Homebuyer Assistance	\$0.00	\$804,864.31	\$752,906.00
2, Purchase & Rehab -- NSP Acquisition and Rehabilitation	\$0.00	\$4,928,640.57	\$2,892,139.86
4, NSP Administration	\$0.00	\$324,919.14	\$240,683.14



Activities

Project # / 1 / Financing Mechanisms -- NSP Homebuyer Assistance

Grantee Activity Number: NSP2008 - 01 thru 04
Activity Title: Financing Mech - Homebuyer Assistance- 50% HH

Activity Category:
 Homeownership Assistance to low- and moderate-income
Project Number:
 1
Projected Start Date:
 03/20/2009
Benefit Type:
 Direct (Household)
National Objective:
 NSP Only - LH - 25% Set-Aside

Activity Status:
 Under Way
Project Title:
 Financing Mechanisms -- NSP Homebuyer Assistance
Projected End Date:
 10/01/2010
Completed Activity Actual End Date:

Responsible Organization:
 Hennepin County

Overall	Apr 1 thru Jun 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$263,351.01
Total Budget	\$0.00	\$263,351.01
Total Obligated	\$0.00	\$263,351.01
Total Funds Drawdown	\$0.00	\$263,351.01
Program Funds Drawdown	\$0.00	\$211,392.70
Program Income Drawdown	\$0.00	\$51,958.31
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$263,351.01
Hennepin County	\$0.00	\$263,351.01
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

A. Establish financing Mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties. We have created two programs to help want to be homeowners to purchase:

- NSP Homebuyer Assistance Program; and
- NSP Homebuyer Rehabilitation Assistance Program.

This part of the funding will be used if we are able to serve households at or below 50% of AMI. We increased this budget and households benefiting over the course of this activity to reflect the number and amount of funds we were able to use for 50% Households. Overall we have assisted less households than we anticipated because the average household assistance was much higher than we originally anticipated.

Location Description:



Activity Progress Narrative:

Activity is complete.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	9/9
# of Singlefamily Units	0	9/9

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	9/9	0/0	9/9	100.00
# Owner Households	0	0	0	9/9	0/0	9/9	100.00

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:	NSP2008 - 01 to 04
Activity Title:	Financing Mechanisms -NSP Homebuyer Assistance

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

1

Projected Start Date:

03/20/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Financing Mechanisms -- NSP Homebuyer Assistance

Projected End Date:

10/01/2010

Completed Activity Actual End Date:

Responsible Organization:

Hennepin County

Overall	Apr 1 thru Jun 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$541,513.30
Total Budget	\$0.00	\$541,513.30
Total Obligated	\$0.00	\$541,513.30
Total Funds Drawdown	\$0.00	\$541,513.30
Program Funds Drawdown	\$0.00	\$541,513.30
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$541,513.30
Hennepin County	\$0.00	\$541,513.30
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

A. Establish financing Mechanisms for the purchase and redevelopment of foreclosed upon homes and residential properties. We have created two programs to help want to be homeowners to purchase:

- NSP Homebuyer Assistance Program; and
- NSP Homebuyer Rehabilitation Assistance Program.

We decreased this budget and households benefiting over the course of this activity to reflect the number and amount of funds we were able to use for Households under 120% AMI during the time we had the project open. We had to close the program and move the remaining budget to Acq/Rehab to ensure that funds would get obligated by the deadline. Overall we have assisted less households than we anticipated because the average household assistance was much higher than we originally anticipated.

Location Description:

The HUD Target areas in Brooklyn Center, Brooklyn Park, New Hope and Crystal

Activity Progress Narrative:

Activity is complete.



Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		23/23	
# of Singlefamily Units	0		23/23	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	0/0	19/23	23/23	82.61
# Owner Households	0	0	0	0/0	19/23	23/23	82.61

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	

Project # / 2 / Purchase & Rehab -- NSP Acquisition and Rehabilitation

Grantee Activity Number:	NSP2008 - 11 thru 13
Activity Title:	NSP Acquisition and Rehabilitation -- 50% HH

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

2

Projected Start Date:

03/20/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Purchase & Rehab -- NSP Acquisition and

Projected End Date:

04/01/2014

Completed Activity Actual End Date:

Responsible Organization:

Hennepin County

Overall

	Apr 1 thru Jun 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$1,436,146.37
Total Budget	\$0.00	\$1,436,146.37
Total Obligated	\$0.00	\$1,436,146.37
Total Funds Drawdown	\$0.00	\$1,436,146.37
Program Funds Drawdown	\$0.00	\$757,706.18



Program Income Drawdown	\$0.00	\$678,440.19
Program Income Received	\$0.00	\$470,982.59
Total Funds Expended	\$0.00	\$1,436,146.37
Hennepin County	\$0.00	\$1,436,146.37
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

B. 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.
 We increased the number of households benefiting to reflect the movement of funds to this activity.

Location Description:

NSP HUD target areas in Brooklyn Center, Brooklyn Park and Crystal

Activity Progress Narrative:

Activity is complete.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	10/10
# of Singlefamily Units	0	10/10

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	10/10	0/0	10/10	100.00
# Owner Households	0	0	0	10/10	0/0	10/10	100.00

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:	NSP2008-11 to 13
Activity Title:	B. Acquisition Rehabilitation

Activity Category:
Rehabilitation/reconstruction of residential structures

Project Number:
2

Projected Start Date:
03/20/2009

Benefit Type:
Direct (HouseHold)

National Objective:
NSP Only - LMMI

Activity Status:
Under Way

Project Title:
Purchase & Rehab -- NSP Acquisition and

Projected End Date:
04/01/2014

Completed Activity Actual End Date:

Responsible Organization:
Hennepin County

Overall	Apr 1 thru Jun 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$3,492,494.20
Total Budget	\$0.00	\$3,492,494.20
Total Obligated	\$0.00	\$3,492,494.20
Total Funds Drawdown	\$0.00	\$3,492,494.20
Program Funds Drawdown	\$0.00	\$2,134,433.68
Program Income Drawdown	\$0.00	\$1,358,060.52
Program Income Received	\$0.00	\$1,701,712.43
Total Funds Expended	\$0.00	\$3,352,470.58
Hennepin County	\$0.00	\$3,352,470.58
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

B. 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:

NSP Target Areas in Brooklyn Center, Brooklyn Park, Crystal

Activity Progress Narrative:

This Activity is essentially complete. We are doing a final reconciliation of units and funding. It's possible we may still need to add units or adjust budgets.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	28/27
# of Singlefamily Units	0	28/27



Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	0/0	5/27	28/27	17.86
# Owner Households	0	0	0	0/0	5/27	28/27	17.86

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	

Project # / 4 / NSP Administration

Grantee Activity Number:	NSP2008-29
Activity Title:	NSP Administration

Activity Category: Administration	Activity Status: Under Way
Project Number: 4	Project Title: NSP Administration
Projected Start Date: 03/20/2009	Projected End Date: 04/01/2014
Benefit Type: ()	Completed Activity Actual End Date:
National Objective: N/A	Responsible Organization: Hennepin County

Overall	Apr 1 thru Jun 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$324,919.14
Total Budget	\$0.00	\$324,919.14
Total Obligated	\$0.00	\$324,919.14
Total Funds Drawdown	\$0.00	\$324,919.14
Program Funds Drawdown	\$0.00	\$240,683.14
Program Income Drawdown	\$0.00	\$84,236.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$324,919.14
Hennepin County	\$0.00	\$324,919.14
Most Impacted and Distressed Expended	\$0.00	\$0.00

Match Contributed

\$0.00

\$0.00

Activity Description:

This is Program Administration for the implementation of the NSP Program Funds.

Location Description:

HUD Target Areas

Activity Progress Narrative:

Activity is complete.

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries 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

