

Grantee: Hesperia, CA

Grant: B-08-MN-06-0509

October 1, 2020 thru December 31, 2020 Performance Report

Grant Number: B-08-MN-06-0509	Obligation Date: 03/10/2009	Award Date: 03/05/2009
Grantee Name: Hesperia, CA	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$4,590,719.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$4,590,719.00	Estimated PI/RL Funds: \$1,702,914.46	
Total Budget: \$6,293,633.46		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The City of Hesperia (City) is one of the areas most impacted by the current foreclosure crisis. This description of Disaster Damage corresponds to Section A-Areas of Greatest Need in the City's NSP Substantial Amendment paper submission. The City is located in San Bernardino County, California and is part of the Riverside/San Bernardino/Ontario Metropolitan Statistical Area (MSA), or "Inland Empire." Data compiled by the Department of Housing and Urban Development (HUD) and local sources indicate that the City is among the Inland Empire jurisdictions with the highest rate of foreclosures and the highest percentage of homes at risk of foreclosure and abandonment. California is a non-judicial foreclosure state. The foreclosure process begins with a recorded Notice of Default (NOD). The NOD is followed by a Notice of Trustee's Sale (NOTS) after a minimum of three months. If no one bids at a Trustee's Sale, and the foreclosure process was not stopped, title to the property reverts to the foreclosing lender, and it becomes a Real Estate Owned (REO) property. As of October 9, 2008, 6.1% of all homes in San Bernardino County were involved in the foreclosure process at one of the three major stages (NOD, NOTS, or REO), and 3.2% of homes were bank-owned (REOs). In comparison, 10.9% of homes in Hesperia were at some point in the foreclosure process, and 5.9% were bank-owned. Hesperia has the fourth-highest foreclosure rate in San Bernardino County and is experiencing foreclosures at a rate significantly higher than the county-wide average. Data released by HUD provides an initial assessment of foreclosure risk within the City boundaries. The HUD data includes the following information: •Rate of housing price decline since the peak of the market, as of June 2008—Home prices over the entire MSA have declined by 23%; •Unemployment rate, as of June 2008—Hesperia's rate is 10.2%; •Residential 90-day vacancy rate, as of June 2008—Hesperia's rate ranges from 0% to 11%; •Rate of high cost loans originated between 2004 and 2006—Hesperia's rate ranges from 22% to 48%, with most of the City exhibiting a high cost loan rate greater than 36%; •Estimated foreclosure/abandonment risk score (calculated by HUD, on a scale of 1 to 10 with 10 being the highest risk)—Hesperia's scores range from 3 to 10, with the vast majority of the City scoring 9 or 10; •Predicted 18-month foreclosure rate—Hesperia's rate ranges from 7.6 to 12.6%, with the vast majority of the City having a rate of 10% or higher. Block groups covering nearly the entire City have an 18-month foreclosure rate of 10% or higher. Block groups north of Main Street have the highest predicted rates, ranging from 12 to 13%. Recent data on REOs and active NODs in Hesperia show that foreclosures and at-risk properties are scattered throughout the City. The locations of REO properties were obtained from Chicago Title Company and represent all foreclosures from May through October 2008, while the locations of active NODs come from ForeclosureRadar.com as of October 23, 2008. Identifiable foreclosure clusters exist to the south and east of the Main Street exit to the Interstate 15 freeway. These areas exhibit particularly high instances of NODs, indicating that the likelihood of foreclosure may be increasing in those areas. HUD-designated "low-, moderate- and middle-income" (LMMI) areas a

Areas of Greatest Need:

re block groups in which 51% or more of residents have incomes at or below 120% of Area Median Income (AMI), based on Census 2000 data. The majority of the City is included in these LMMI areas, and these areas typically have significant foreclosure-related needs. Portions of the City that were not developed in 2000 and had no residents in 2000 may not be HUD designated LMMI areas even though many of the current residents fit the income criteria, and the foreclosure data indicates the presence of sig

Distribution and and Uses of Funds:

This description of Recovery Needs corresponds to Section B-Distribution and Use of Funds in the City's NSP Substantial Amendment paper submission. The City of Hesperia will prioritize the use of NSP funds by targeting its activities in neighborhoods with the highest percentage of home foreclosures, highest percentage of homes financed by subprime mortgage loans, and at the highest risk of additional foreclosures. Current foreclosures and significant risk factors exist throughout the City, although geographic concentrations are evident. Specifically:

- Highest percentage of home



foreclosures—Bank-owned homes are distributed throughout the developed portions of the City, according to data provided by Chicago Title. Foreclosed homes are most densely concentrated in developments to the south and east of the Main Street exit to the Interstate 15 freeway (the Gateway Area), because these lots are smaller than in other areas of the City. Foreclosed homes are also common in the Main Street Corridor, which includes areas located within 1.5 miles immediately to the north and south of Main Street along its entire length from the Interstate 15 to the City's eastern edge. •Highest percentage of homes financed by subprime mortgage loans—According to data provided by HUD, over one-third of mortgage loans in the City are high cost, and most high cost loans are considered subprime. Block groups in the Main Street Corridor exhibit the highest percentage of high cost loans. •Highest risk of additional foreclosures—Data provided by HUD and supplemented by data from ForeclosureRadar.com points to areas likely to face a significant rise in the rate of home foreclosures. These areas are based on a) the HUD-calculated 18-month foreclosure rate and b) the concentration of Notices of Default. These risks are high throughout the City but are particularly evident in the Gateway Area and Main Street Corridor. Given the limited availability of NSP funds, the City will prioritize its activities in those neighborhoods with the highest concentration of foreclosed homes, subprime mortgages, and homes at risk of future foreclosure. These include: 1) the Gateway Area, immediately to the south and east of the Main Street exit to the Interstate 15 freeway, where public sector investment in these neighborhoods that represent a "gateway" to Hesperia will encourage private-sector investment in the City as a whole, and 2) the Main Street Corridor, defined as the neighborhoods within 1.5 miles of Main Street, from the Interstate 15 freeway the exit to the eastern City boundary. The target areas include 50 percent of the census tracts in the City of Hesperia. The City will target all of the NSP activities to these high priority areas. These activities include: 1. Acquisition/Rehabilitation and Resale 2. Acquisition/Rehabilitation and Rental 3. Financing Mechanisms for Purchase of Foreclosed Homes 4. Redevelop Demolished or Vacant Properties However, the entire City is an area of great need based on HUD and local data. All activities will benefit persons earning less than 120 percent of AMI, and 25 percent of funds will serve residents earning at or below 50 percent of AMI. All three programmatic activities will have the same geographic targeting to the areas described in this section.

Definitions and Descriptions:

1. Definition of "blighted structure" in context of state or local law.

Response:

The City of Hesperia uses the State of California's definition of blighted buildings as found in the California Health and Safety Code Sections 33031(a)(1) and (a)(2), which are attached as Exhibit B.

2. Definition of "affordable rents."

Response:

The City of Hesperia uses the definition of affordable rents found in California Health and Safety Code Section 50053, and summarized below. Affordable rents are defined as follows:

- For low income households, 30 percent of 50 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities, divided by 12.
- For moderate income households, 30 percent of 60 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities.
- For middle income households, 30 percent of 110 percent of the area median income adjusted for family size appropriate for the unit, less an allowance for tenant paid utilities.

3. Describe how the grantee will ensure continued affordability for NSP assisted housing.

Continued affordability will be ensured through:

- Deed restrictions: Buyers of homes assisted with NSP funds in a deed restricted program may enter into a resale restriction agreement that shall restrict the future sales price to keep the home affordable to future buyers. The deed restriction shall have a term of 15 to 45 years. The resale restriction will also require future purchasers to be low, moderate, or middle income, occupy the home as their primary residence, and enter into a new resale restriction.
- Shared appreciation loans: Alternatively, buyers of homes assisted with NSP funds may participate in a shared appreciation program in which they shall execute a promissory note and deed of trust that will secure the loan principal plus a share of the appreciation. The term of the shared appreciation agreement shall be 15 to 45 years. Any loan repayments made during the first five years of the NSP program will be used to subsidize additional purchasers of foreclosed homes.
- Affordability covenants: For rental units, properties will remain affordable for the longest period practical, up to 55 years, through affordability covenants (deed restrictions). Rents will be monitored annually through the same process that is used to monitor HOME projects, at a minimum.

4. Describe housing rehabilitation standards that will apply to NSP assisted activities.

Response:

All housing rehabilitation activities assisted by NSP funds will meet standards established for rehabilitation and occupancy of residential structures as defined in the California Building Code as adopted by the California Building Standards Commission and as adopted and amended by the City of Hesperia.

Public Comment:

Public Comment:

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

Response:

The City of Hesperia published a display advertisement in two local newspapers notifying the public that the draft NSP Substantial Amendment would be posted on the City's web site and available at public locations on November 3, 2008, and providing notice of the City Council's public hearing on November 18, 2008. The display ad was published in the Hesperia Resorter on Thursday, October 30, 2008 and in the Hesperia Star on Tuesday, November 4, 2008. The draft NSP Substantial Amendment was posted on the City's website on November 3, 2008.

1. The City received the following comments before the public hearing: No public comments were received before the public hearing on November 18, 2008.
2. The Hesperia City Council held a public hearing on November 18, 2008 during which the following comments were made: No public comments were made at the public hearing on November 18, 2008.

Low Income Targeting:

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income.

Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

Response:

The City of Hesperia will make at least \$1,147,680 (25% of the City of Hesperia's NSP allocation, as required) available for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. Programs to accomplish this may include acquisition/rehabilitation and rental or the redevelopment of demolished or vacant properties.



Acquisition and Relocation:

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., 80% of area median income). If so, include:

- The number of low- and moderate-income dwelling units—i.e., 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities.
- The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion).
- The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response:

The City of Hesperia does not intend to demolish or convert any low- and moderate-income dwelling units (i.e., 80% of area median income). NSP funds will be used primarily to acquire and rehabilitate foreclosed properties. Some funds may be used to provide silent second shared appreciation loans to eligible households for the direct purchase of foreclosed homes. The programs will be limited to vacant homes. Demolition and conversion of blighted structures is not a Hesperia priority for NSP funds. However, during program implementation, the City may become aware of structures that should be immediately demolished. In that case, the City will make every effort to work with a non-profit developer to build a new home to be sold to a low, moderate, or middle income household. Additional information on all programs is included in Section G below.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$6,293,633.46
Total Budget	\$0.00	\$6,293,633.46
Total Obligated	\$0.00	\$5,027,945.52
Total Funds Drawdown	\$0.00	\$4,904,082.25
Program Funds Drawdown	\$0.00	\$4,246,380.95
Program Income Drawdown	\$0.00	\$657,701.30
Program Income Received	\$0.00	\$4,202,658.60
Total Funds Expended	\$0.00	\$5,086,299.86
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
City of Hesperia/Hesperia Community Redevelopment	\$ 0.00	\$ 5,086,299.86
Hesperia Housing Authority	\$ 0.00	\$ 0.00

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$.00
Overall Benefit Amount	\$629,300,409.67	\$.00	\$.00
Limit on Public Services	\$688,607.85	\$.00	\$.00
Limit on Admin/Planning	\$459,071.90	\$592,689.24	\$322,320.51
Limit on Admin	\$.00	\$592,689.24	\$322,320.51
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$1,573,408.37		\$1,432,800.78

Overall Progress Narrative:

As of December 31, 2020, the City of Hesperia has completed a financial reconciliation of the program and anticipates completing the closeout of the grant during the next quarter. Of the 23 properties acquired under the program:



Ten (10) have sold to a LMMI households under Activity No. 1. Two (2) of these properties were transfers from Activity 2 (10121 Julianne Avenue and 16415 Ash Street).

Eleven (11) have sold to a LH25 household under Activity No. 2.

One of these properties was a transfer from Activity No. 1 (16403 El Centro).

Two (2) have been rented to a LH25 households under Activity No. 2.

The property (16351 live Oak Street) rented is a transfer from Activity No. 1. Property Sold June 2020.

We had rented 9529 Guava Street in May 2014 but the tenants vacated shortly after and the property was sold in June 2017.

The property at 10707 Arroyo Avenue was rented in February 2015 and was a transfer from Activity No. 1. Property was sold in April 2019.

One (1) property is to be demolished. Used City Public Works to demolish property due to air quality issues during that time of year.

The City continued to list and market properties for resale during the quarter.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition-General	\$0.00	\$2,174,025.04	\$1,452,626.11
2, Acquisition-General	\$0.00	\$1,824,004.72	\$1,192,780.65
3, Homeownership Assistance to low- and moderate-	\$0.00	\$0.00	\$0.00
4, Rehabilitation/reconstruction of residential structures	\$0.00	\$0.00	\$0.00
5, Administration	\$0.00	\$592,689.24	\$98,059.73
6, Land Banking - Acquisition (NSP only)	\$0.00	\$1,502,914.46	\$1,502,914.46
7, Demolition	\$0.00	\$200,000.00	\$0.00

Activities

Project # / 1 / Acquisition-General



Grantee Activity Number: 1

Activity Title: 1

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

1

Projected Start Date:

03/05/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition-General

Projected End Date:

03/05/2019

Completed Activity Actual End Date:

Responsible Organization:

City of Hesperia/Hesperia Community

Overall	Oct 1 thru Dec 31, 2020	To Date
Total Projected Budget from All Sources	\$0.00	\$2,174,025.04
Total Budget	\$0.00	\$2,174,025.04
Total Obligated	\$0.00	\$1,648,937.72
Total Funds Drawdown	\$0.00	\$1,646,046.50
Program Funds Drawdown	\$0.00	\$1,452,626.11
Program Income Drawdown	\$0.00	\$193,420.39
Program Income Received	\$0.00	\$1,683,832.42
Total Funds Expended	\$0.00	\$1,828,264.11
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in areas of greatest need through the purchase, rehabilitation, and resale of foreclosed properties. This activity will provide affordable homeownership opportunities for households earning less than 120% of area median income, with a focus on households between 51% and 120% of area median income. Purchase of specific foreclosed properties will be dependent on highest degree of neighborhood need and availability of foreclosed, moderately priced properties at the required discount rate. The City will attempt to purchase vacant homes. The City of Hesperia, the Hesperia Community Redevelopment Agency (HCRA), or a third party partner will acquire, rehabilitate, and resell foreclosed upon homes. All homes assisted under this program will either be subject to deed restrictions which will require that the homes remain affordable to low, moderate and middle income households for a specified term or they will be subject to a shared appreciation agreement. To implement this activity, the City of Hesperia or HCRA will initially seek to purchase foreclosed homes in the high priority areas or other available homes at the required discount (described below) and, if required, rehabilitate the homes to required minimum rehabilitation standards. After rehabilitation is complete, the City or HCRA will sell the homes assisted with NSP funds to eligible buyers for an affordable price (which price shall be determined by the City and will not exceed the costs of acquisition, rehabilitation and redevelopment of the home). The City will also establish standards for and review the terms of homebuyer mortgages to ensure that such mortgages will not jeopardize the affordability of the assisted home. Homebuyers will receive at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency before purchasing the home, per the NSP requirements. As program income is received from NSP activities for the first five years, neighborhood stabilization through resale activity may be expanded to additional areas as funds permit. The City may choose to utilize NSP funds allocated under NSP Activity #3, Financing Mechanisms, to assist an income eligible household to acquire a home after it has been rehabilitated.



Location Description:

The highest priority target areas are the Gateway Area and Main Street Corridor. Given the limited availability of NSP funds, the City will prioritize its activities in those neighborhoods with the highest concentration of foreclosed homes, subprime mortgages, and homes at risk of future foreclosure. These include: 1) the Gateway Area, immediately to the south and east of the Main Street exit to the Interstate 15 freeway, where public sector investment in these neighborhoods that represent a “gateway” to Hesperia will encourage private-sector investment in the City as a whole, and 2) the Main Street Corridor, defined as the neighborhoods within 1.5 miles of Main Street, from the Interstate 15 freeway the exit to the eastern City boundary. The target areas include 50 percent of the census tracts in the City of Hesperia.

Activity Progress Narrative:

No new activity during this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	9/11

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	9/11
# of Singlefamily Units	0	9/11

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	3/11	9/11	33.33
# Owner Households	0	0	0	0/0	3/11	9/11	33.33

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	

Activity Supporting Documents: None

Project # / 2 / Acquisition-General



Grantee Activity Number: 2

Activity Title: 2

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

2

Projected Start Date:

02/13/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition-General

Projected End Date:

08/12/2010

Completed Activity Actual End Date:

Responsible Organization:

City of Hesperia/Hesperia Community

Overall	Oct 1 thru Dec 31, 2020	To Date
Total Projected Budget from All Sources	\$0.00	\$1,824,004.72
Total Budget	\$0.00	\$1,824,004.72
Total Obligated	\$0.00	\$1,433,695.56
Total Funds Drawdown	\$0.00	\$1,432,800.78
Program Funds Drawdown	\$0.00	\$1,192,780.65
Program Income Drawdown	\$0.00	\$240,020.13
Program Income Received	\$0.00	\$955,220.57
Total Funds Expended	\$0.00	\$1,432,800.78
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in areas of greatest need through the purchase, rehabilitation, and rental of foreclosed properties. Purchase of specific foreclosed properties will be dependent on highest degree of neighborhood need and availability of foreclosed, moderately priced properties at the required discount rate. The City will attempt to purchase vacant homes. The City of Hesperia, the Hesperia Community Redevelopment Agency (HCRA), or a third party partner will initially purchase and rehabilitate the properties. After completion of rehabilitation, ownership will normally be transferred to a third party nonprofit or public partner to manage them as rentals, unless the City is able to retain ownership of the units in compliance with state law. In addition, the City may choose to sell the units to households that do not exceed 50% AMI limits. Funds used for this activity will be used to meet the low income housing requirement of spending 25 percent of NSP funds for households at 50 percent of area median income or below. The program will allow flexibility to transfer ownership of homes purchased and rehabilitated with NSP funds to a public or nonprofit sponsor who would operate a lease to purchase program. The City or HCRA may also operate the lease to purchase program. Initial rents would be required to conform to the requirements for affordable rents defined above. When the tenant is able to buy the home, continued affordability would be provided through a deed restriction, as described in Activity #1, Acquisition/Rehabilitation and Resale. As program income is received from NSP activities, neighborhood stabilization through purchase of homes for rental may be expanded to additional areas as funds permit.

Location Description:

The high priority target areas are Gateway Area and Main Street Corridor. Given the limited availability of NSP funds, the City will prioritize its activities in those neighborhoods with the highest concentration of foreclosed homes, subprime mortgages, and homes at risk of future foreclosure. These include: 1) the Gateway Area, immediately to the south and east of the Main Street exit to the Interstate 15 freeway, where public sector



investment in these neighborhoods that represent a “gateway” to Hesperia will encourage private-sector investment in the City as a whole, and 2) the Main Street Corridor, defined as the neighborhoods within 1.5 miles of Main Street, from the Interstate 15 freeway the exit to the eastern City boundary. The target areas include 50 percent of the census tracts in the City of Hesperia.

Activity Progress Narrative:

No new activity during this quarter.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	6/12

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/12
# of Singlefamily Units	0	6/12

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	6/13	0/0	6/13	100.00
# Owner Households	0	0	0	4/1	0/0	4/1	100.00
# Renter Households	0	0	0	2/12	0/0	2/12	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	

Activity Supporting Documents: None

Project # / 5 / Administration



Grantee Activity Number:	5
Activity Title:	5

Activity Type:

Administration

Project Number:

5

Projected Start Date:

02/13/2009

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

08/12/2010

Completed Activity Actual End Date:

Responsible Organization:

City of Hesperia/Hesperia Community

Overall	Oct 1 thru Dec 31, 2020	To Date
Total Projected Budget from All Sources	\$0.00	\$592,689.24
Total Budget	\$0.00	\$592,689.24
Total Obligated	\$0.00	\$442,397.78
Total Funds Drawdown	\$0.00	\$322,320.51
Program Funds Drawdown	\$0.00	\$98,059.73
Program Income Drawdown	\$0.00	\$224,260.78
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$322,320.51
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will provide the general administration and planning activities required to receive NSP funding and implement a successful NSP program, including preparation of the substantial amendment, required noticing, monitoring, financial reporting, and other required administrative tasks.

Location Description:

The high priority target areas are Gateway Area and Main Street Corridor. Given the limited availability of NSP funds, the City will prioritize its activities in those neighborhoods with the highest concentration of foreclosed homes, subprime mortgages, and homes at risk of future foreclosure. These include: 1) the Gateway Area, immediately to the south and east of the Main Street exit to the Interstate 15 freeway, where public sector investment in these neighborhoods that represent a "gateway" to Hesperia will encourage private-sector investment in the City as a whole, and 2) the Main Street Corridor, defined as the neighborhoods within 1.5 miles of Main Street, from the Interstate 15 freeway the exit to the eastern City boundary. The target areas include 50 percent of the census tracts in the City of Hesperia.

Activity Progress Narrative:

During this reporting period, the City of Hesperia completed a financial reconciliation of the program and anticipates closing out the grant during the next quarter.



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

Activity Supporting Documents:

None

Project # / 6 / Land Banking - Acquisition (NSP only)

Grantee Activity Number: 6
Activity Title: 6

Activity Type:

Land Banking - Acquisition (NSP Only)

Project Number:

6

Projected Start Date:

09/16/2009

Benefit Type:

Area (Survey)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Land Banking - Acquisition (NSP only)

Projected End Date:

08/12/2010

Completed Activity Actual End Date:

Responsible Organization:

City of Hesperia/Hesperia Community

Overall	Oct 1 thru Dec 31, 2020	To Date
Total Projected Budget from All Sources	\$0.00	\$1,502,914.46
Total Budget	\$0.00	\$1,502,914.46
Total Obligated	\$0.00	\$1,502,914.46
Total Funds Drawdown	\$0.00	\$1,502,914.46
Program Funds Drawdown	\$0.00	\$1,502,914.46
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$1,502,914.46
Total Funds Expended	\$0.00	\$1,502,914.46
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

This activity will address neighborhood stabilization in areas of greatest need described above through purchasing, maintaining, assembling and disposing of foreclosed homes and vacant residential properties for stabilizing neighborhoods and encouraging re-use or redevelopment, thus minimizing blight and ultimately leading to additional benefits that may include affordable housing. This activity may provide either affordable homeownership opportunities for households earning less than 120% of area median income, with a focus on households earning between 81% and 120% of area median income, affordable rental opportunities for households earning less than 120% of area median income, with a focus on households earning less than 80% of area median income, or other activities eligible in accordance with HERA regulations. Purchase of specific foreclosed properties will be dependent on the degree of neighborhood need and the availability of foreclosed, moderately priced properties at the required discount rate. The City of Hesperia, the Hesperia Community Redevelopment Agency (HCRA), or a third party partner will purchase, maintain, assemble and dispose of foreclosed homes and vacant residential properties acquired under the land banking activity.

All homes and properties assisted under this program will either be subject to deed restrictions, which will require that residential units remain affordable to low, moderate and middle income households, as defined by HUD, for a specified term, and/or they will be subject to a shared appreciation agreement. Both affordability mechanisms are described in greater detail in the original NSP Substantial Amendment Activity #1, Acquisition/Rehabilitation and Resale. To implement this activity, the City of Hesperia or HCRA will purchase foreclosed properties and/or homes at the required discount in the high priority areas or, if necessary, other available properties and/or homes. Properties and/or homes purchased under this activity will be held in a land bank by the City of Hesperia or HCRA until such time as market conditions improve sufficiently to effectively develop the properties or dispose of the homes under one of the other eligible activities described in the original NSP Substantial Amendment. All properties assisted under this activity will be obligated for a specific, eligible



redevelopment project in accordance with NSP requirements within 10 years.

Location Description:

The high priority target areas are Gateway Area and Main Street Corridor. Given the limited availability of NSP funds, the City will prioritize its activities in those neighborhoods with the highest concentration of foreclosed homes, subprime mortgages, and homes at risk of future foreclosure. These include: 1) the Gateway Area, immediately to the south and east of the Main Street exit to the Interstate 15 freeway, where public sector investment in these neighborhoods that represent a “gateway” to Hesperia will encourage private-sector investment in the City as a whole, and 2) the Main Street Corridor, defined as the neighborhoods within 1.5 miles of Main Street, from the Interstate 15 freeway the exit to the eastern City boundary. The target areas include 50 percent of the census tracts in the City of Hesperia.

Activity Progress Narrative:

No new activity during this quarter.

Accomplishments Performance Measures

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

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	

Activity Supporting Documents: None

Project # / 7 / Demolition



Grantee Activity Number: 7

Activity Title: 7

Activity Type:

Clearance and Demolition

Project Number:

7

Projected Start Date:

02/06/2019

Benefit Type:

Area (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Demolition

Projected End Date:

02/06/2020

Completed Activity Actual End Date:

Responsible Organization:

Hesperia Housing Authority

Overall

	Oct 1 thru Dec 31, 2020	To Date
Total Projected Budget from All Sources	\$0.00	\$200,000.00
Total Budget	\$0.00	\$200,000.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$60,691.15
Total Funds Expended	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00

Activity Description:

The Demolition Activity will fund the acquisition, demolition, and other related costs of a single-family blighted property, to eliminate conditions that are detrimental to public safety and health.

Location Description:

NSP Target Area

Activity Progress Narrative:

No new activity during this quarter.

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	

Activity Supporting Documents: None

