

Grantee: Modesto, CA

Grant: B-08-MN-06-0004

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-06-0004

Obligation Date:**Grantee Name:**

Modesto, CA

Award Date:**Grant Amount:**

\$8,109,274.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

No QPR Contact Found

Disasters:

Declaration Number

NSP

Plan Description:

The City of Modesto is unique compared to most other cities hit by the foreclosure crisis. The crisis for Modesto is not centralized to a specific neighborhood; every socio-economic group has been affected by this crisis. The housing market exploded in 2004 with the migration of families from the San Francisco Bay Area with home prices peaking in December of 2005. Families saw an option for more affordable housing with many options for financing in the Modesto area. Standard national averages show that sub-prime loans are more frequent for minorities within low income neighborhoods. The City of Modesto minority, low income neighborhoods were severely affected by predatory lending. The predatory lending in Modesto had an impact throughout the city. The low income minority neighborhoods were hit the hardest, however no neighborhood escaped the problem. Hit significantly harder than other areas of the country, foreclosure problems throughout the City of Modesto continue to affect the families within our community. Foreclosure filings are continuing to rise and families are having difficulty finding alternatives to refinance out of sub-prime loans. With countries economic problems, the crisis only seems to worsen in Modesto. Due to the foreclosure problems the City of Modesto established the following thresholds in determining eligibility for the Neighborhood Stabilization Program. Census Tracts had to meet at least one of these factors to be considered for funding. 1. Foreclosures in excess of 10 percent 2. Sub-prime loans in excess of 20 percent

Recovery Needs:

The City of Modesto can not recover from the financial crisis and foreclosure problem without assistance.

The census tracts that the City of Modesto would like to determine as greatest need areas are as follows:

000602
000801
000803
000805
000806
000807
000905
000906
000907
000908
000909
000910
000911
000912
001001
001002

001100
 001200
 001300
 001400
 001500
 001601
 001603
 001604
 001700
 001800
 001900
 002003
 002004
 002100
 002200
 002301
 002302
 002400
 002501
 002803

Overall

This Report Period

To Date

Total Projected Budget from All Sources	N/A	\$8,108,739.68
Total CDBG Program Funds Budgeted	N/A	\$8,108,739.68
Program Funds Drawdown	\$1,337,192.37	\$1,337,192.37
Obligated CDBG DR Funds	\$1,337,192.37	\$1,337,192.37
Expended CDBG DR Funds	\$1,274,068.84	\$1,281,939.00
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	\$1,216,391.10	\$0.00
Limit on Admin/Planning	\$810,927.40	\$7,870.16
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City of Modesto received the \$8.1 million in HERA funding in May 2008. Initially staff efforts were spent on developing the NSP activities as outlined in the Substantial Amendment to the Annual Action Plan and preparing MOUs and other documents to facilitate the program. That work has been completed. Since then, City has approved 4 non-profit agencies and 6 for-profit companies to participate in the activities related to the purchase and rehabilitation of foreclosed and abandoned properties. In total, these agencies (both for-profit and non-profit) have closed escrow on 7 properties and have 21 (3 scattered/17 targeted/1 airport targeted area) other properties in the process of closing. Unfortunately, during this time an additional 12 properties fell out of escrow, primarily due to cash offers from private investors. These fallouts will not impact the timeliness of expending funds as unexpected delays and fallouts were anticipated.

Due to a lack of applicants and the banks not approving some loans due to the combined loan to value being too high for rehabilitation, it was determined that some of the funding initially allocated to the Homebuyers Assistance Program be transferred to the Acquisition/Rehab activities through an amendment to the Annual Action Plan. Council approved this Amendment on November 24, 2009 and staff has taken action to have these funds transferred evenly between the targeted and scattered sites within the City's budget resulting in additional funds being made available purchase more homes in those areas. This additional funding has generated renewed enthusiasm from developers as they submit properties for funding. This transfer of funds within the Budget of Program Funds will be reported in Qtr 4.

Incentive Transfer Program has yet to expend any funding, however MOU's have been executed and the Housing Authority is actively looking for properties. While staff has concerns about the timely expenditure of the funds allocated to the Housing Authority, staff has been assured that these funds will be spent within the program's time constraints.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
01, Administration	\$61,075.44	\$810,924.00	\$61,075.44
02, Homebuyers' Assistance Program	\$0.00	\$1,271,031.00	\$0.00
03, Acquisition & Rehabilitation	\$1,276,116.93	\$4,000,000.00	\$1,276,116.93
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
HA-1, ITP - Housing Authority	\$0.00	\$2,027,319.00	\$0.00

Activities

Grantee Activity Number: B-08-MN-06-0004

Activity Title: Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

01

Project Title:

Administration

Projected Start Date:

03/20/2009

Projected End Date:

09/18/2011

National Objective:

N/A

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources

N/A

\$810,924.00

Total CDBG Program Funds Budgeted

N/A

\$810,924.00

Program Funds Drawdown

\$61,075.44

\$61,075.44

Obligated CDBG DR Funds

\$61,075.44

\$61,075.44

Expended CDBG DR Funds

\$0.00

\$7,870.16

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

Administrative oversight and planning of the Neighborhood Stabilization Program.

Location Description:

City Hall, 1010 Tenth Street, Suite 4300, Modesto, CA

Activity Progress Narrative:

In Quarter 3, \$61,075.44 was drawn down for expenses associated with staff project managers who continue to oversee the activities associated with the NSP funding in addition to working closely with non-profit and for-profit agencies seeking foreclosed properties to purchase and rehab. A staff Financial Specialist processes loan documents and an Intern was hired to maintain program records and assist with loan documents. Due to city-wide holiday closures, staff was unable to prepare the draw down for an additional \$23,648.05 in funds that were expended in Qtr 3 for administrative oversight. Those funds will be drawn down in Qtr 4.

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

No Other Funding Sources Found
 Total Other Funding Sources

Grantee Activity Number:	INCENTIVE TRANSFER PROGRAM
Activity Title:	INCENTIVE TRANSFER PROGRAM

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

HA-1

Project Title:

ITP - Housing Authority

Projected Start Date:

06/08/2009

Projected End Date:

09/07/2011

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Housing Authority of the County of Stanislaus

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$2,027,319.00
Total CDBG Program Funds Budgeted	N/A	\$2,027,319.00
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:

partnership with Housing Authority of Stanislaus County in which the Housing Authority will purchase foreclosed and abandoned homes. Incentive Transfer is a nomination program that allows qualified residents, who are currently in good standing, to transfer into Housing Authority owned scattered-site homes. The goal of the Incentive Transfer program is to promote residents in family developments who are self-motivated and show willingness toward self-improvement, upward mobility and eventually to self-sufficiency

Location Description:

This activity can be carried out in any of the greatest need areas.

Activity Progress Narrative:

The Incentive Transfer program provides the Housing Authority of Stanislaus County with \$2,027,319 in funds to purchase and rehab properties with the goal of moving very low income families into home ownership in a way that is affordable and sustainable. While there has been no expenditure of funds, both the MOU with Housing Authority and the template for loan documents has been completed. In the next quarter, staff anticipates these funds will be spent as the Housing Authority begins to purchase/rehab properties.

Performance Measures

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

# of housing units	0	0	0	0/0	0/0	0/12
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/0	0/12
# of Persons benefitting	0	0	0	0/25	0/0	0/25
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0

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:	NSP HOMEBUYERS ASSISTANCE PROGRAM
Activity Title:	NSP - HOMEBUYERS ASSISTANCE PROGRAM

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Planned

Project Number:

02

Project Title:

Homebuyers' Assistance Program

Projected Start Date:

06/08/2009

Projected End Date:

09/07/2011

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Modesto

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$491,031.00
Total CDBG Program Funds Budgeted	N/A	\$491,031.00
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:

Provide gap financing to income-eligible citizens to purchase foreclosed properties. The NSP funds will provided a homebuyers assistance loan up to \$100,000 for the acquisition and a grant up to \$25,000 for the rehabilitation of the property being acquired. The final sales price will be no greater than the initial acquisition and rehabilitation costs. Income-eligible homebuyer's earnings cannot be greater than 120% area median income as defined by HUD. This activity will comply with CDBG regulations 570.201 (n).

Location Description:

Provide gap financing to income-eligible citizens to purchase foreclosed properties in any of the established greatest need census tracts. Income-eligible homebuyer's earnings cannot be greater than 120% area median income as defined by HUD. This activity will comply with CDBG regulations 570.201 (n).

This activity, originally called Down Payment Assistance Program, was changed to Homebuyers Assistance through an Annual Action Plan Amendment. The announcement to make this name change and the change in funding began with a public notice posted in the local newspaper on October 23, 2009. A public hearing was held on November 24, 2009 in the City Council Chamber at 1010 Tenth Street, Modesto at 5:30 p.m. This public hearing concluded the public comment period. The activity initially was funded for \$1,271,031, however this Amendment reallocated \$780,000 in funds out of the Homebuyers Assistance Program into the Rehab and Acquisition/Rehabilitation Program due to poor applicant response.. In addition, staff has been in contact with Wells Fargo and Guild Mortgage to work on approving the NSP Program to provide loans for eligible households. Staff has encountered some issues in regards to holding back the funds for the rehabilitation portion of the loans since banks are not approving the rehabilitation portion of the loan. The requirement is that the rehabilitation must be completed prior to closing escrow for the acquisition of the foreclosed property. The delay in The delay in the loan process also contributed to the decision to transfer funds from homebuyer activity to acquisition/rehab activities. This transfer resulted in the performance measures for households benefitting to chagne from 12 to 4. The number of households units is now 4 instead of 12. This transfer of funds will result in the timely expenditure of funds.

Activity Progress Narrative:

During this 3rd quarter, on November 24, 2009, the Modesto City Council amended the Annual Action Plan transferring \$780,000 of these funds to the property acquisition/ rehabilitation activities due to poor applicant response. In addition, staff has been in contact with Wells Fargo and Guild Mortgage to work on approving the NSP Program to provide loans for eligible households. Staff has encountered some issues in regards to holding back the funds for the rehabilitation portion of the loans since banks are not approving the rehabilitation portion of the loan. The requirement is that the rehabilitation must be

completed prior to closing escrow for the acquisition of the foreclosed property. The goal for Quarter 4 is to resolve these issues so escrow can close on two pending loans. The delay in the loan process also contributed to the decision to transfer funds from homebuyer activity to acquisition/rehab activities resulting in more funds for developers who are ready to acquire and rehab additional properties. This transfer of funds will result in the timely expenditure of funds. This transfer of funds within the Budget of Program Funds will be reported in Qtr 4 taking the budget from \$1,271,031 to \$491,031 available for the Homebuyers Assistance Program.

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	0/4
# of Households benefitting	0	0	0	0/2	0/2	0/4

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: SCATTERED SITE SCAP01

Activity Title: 1113 Patty Way-SS

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

03

Project Title:

Acquisition & Rehabilitation

Projected Start Date:

09/30/2009

Projected End Date:

03/15/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Modesto

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$307,350.00
Total CDBG Program Funds Budgeted	N/A	\$307,350.00
Program Funds Drawdown	\$193,864.24	\$193,864.24
Obligated CDBG DR Funds	\$193,864.24	\$193,864.24
Expended CDBG DR Funds	\$193,864.24	\$193,864.24
City of Modesto	\$193,864.24	\$193,864.24
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Stanislaus Community Assistance Project (SCAP) is funded through the City of Modesto to purchase 1113 Patty Way. The appraised value of the property on August 26, 2009 was \$192,000. SCAP negotiated a purchase price of \$189,900 which is below the appraised market value.

SCAP intends to rehabilitate the property, including roof repairs and landscaping. SCAP will also upgrade the interior through rehabilitation including new kitchen units and addressing all health and safety issues.

The three units will be rented out to Immi households. We anticipate this activity will be obligated for \$307,350.

Location Description:

1113 Patty Way is a tri-plex located in Modesto.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purchases, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 1113 Patty Way, a tri-plex with a total of 6 bedrooms/3 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$307,350. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	1	0/0	0/0	1/1
# of housing units	0	0	3	0/0	0/0	3/3

# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/3	0/3

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: SCATTERED SITE SCAP02

Activity Title: 3928 Weston Way-SS

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

09/30/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation

Projected End Date:

03/15/2010

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$322,300.00
Total CDBG Program Funds Budgeted	N/A	\$322,300.00
Program Funds Drawdown	\$194,750.00	\$194,750.00
Obligated CDBG DR Funds	\$194,750.00	\$194,750.00
Expended CDBG DR Funds	\$194,750.00	\$194,750.00
City of Modesto	\$194,750.00	\$194,750.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

3928 Weston Way was appraised for \$200,000 and an offer of \$192,650 was made 4% below current market value. SCAP intends to rehabilitate the property including landscape, new roof and remodel of bathrooms. The unit will be rented to a lmmi household.

Location Description:

3928 Weston Way is located in North Modesto.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purposes, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 3928 Weston Way, a single-family home with a total of 4 bedrooms/3 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$322,300. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/1	0/1

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: SCATTERED SITE SCAP03

Activity Title: 2201 Manitoba-SS

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

09/30/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation

Projected End Date:

03/15/2010

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$269,150.00
Total CDBG Program Funds Budgeted	N/A	\$269,150.00
Program Funds Drawdown	\$168,003.25	\$168,003.25
Obligated CDBG DR Funds	\$168,003.25	\$168,003.25
Expended CDBG DR Funds	\$168,003.25	\$168,003.25
City of Modesto	\$168,003.25	\$168,003.25
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

2201 Manitoba Way has a current appiasial of \$169,000, SCAP has offered \$164,00 which is 2.9% below the market value. This is a single family home which is 4 bedroom and 2.5 bathrooms. The unit needs a new roof and landscaping. The unit was built in 1988 and will require extensive energy efficient upgrades including new appliances such as HVAC and Electrical as well as dual pane windows. Property to be obligated first of October.

Location Description:

2201 Manitoba Way is located in Modesto

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purchases, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 2201 Manitoba Ct, a single-family home with a total of 5 bedrooms/3 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$269,150. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of housing units	0	0	0	0/0	0/0	0/1

# of Households benefitting	0	0	0	0/0	0/1	0/1
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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: SCATTERED SITE SCAP04

Activity Title: 2020 Floral Court-SS

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

08/28/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation

Projected End Date:

05/05/2010

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$214,500.00
Total CDBG Program Funds Budgeted	N/A	\$214,500.00
Program Funds Drawdown	\$170,050.00	\$170,050.00
Obligated CDBG DR Funds	\$170,050.00	\$170,050.00
Expended CDBG DR Funds	\$170,050.00	\$170,050.00
City of Modesto	\$170,050.00	\$170,050.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

2020 Floral Court was appraised at \$170,000 and acquired at 1.6% below the appraised value at \$167,300. Rehabilitation of the unit will include minor cosmetic updates. To be obligated first of next quarter.

Location Description:

2020 Floral Court is located in North Modesto off of Pelandale Avenue.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purposes, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 2020 Floral Ct, a single-family home with a total of 4 bedrooms/2 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$214,500. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of Households benefitting	0	0	0	0/0	0/0	0/1

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: SCATTERED SITE SCAP05

Activity Title: 2200-2202 Vera Cruz-SS

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

09/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation

Projected End Date:

06/01/2010

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$294,085.00
Total CDBG Program Funds Budgeted	N/A	\$294,085.00
Program Funds Drawdown	\$183,949.44	\$183,949.44
Obligated CDBG DR Funds	\$183,949.44	\$183,949.44
Expended CDBG DR Funds	\$183,949.44	\$183,949.44
City of Modesto	\$183,949.44	\$183,949.44
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This property was valued at \$182,000 and will be purchased at 1.1% below market value at \$180,000. The rehabilitation will include a new roof, kitchen and bathroom updates as well as other cosmetic upgrades and addressing any health and safety issues.

To be obligated first of next quarter.

Location Description:

2200 and 2202 Vera Cruz Drive is a duplex located in central Modesto off of Coffee Road.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purposes, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 2200-2202 Vera Cruz, a duplex with a total of 4 bedrooms/2 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$294,085. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of buildings (non-residential)	0	0	0	0/0	0/0	0/2
# of Households benefitting	0	0	0	0/0	0/0	0/2

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: SCATTERED SITE SCAP06

Activity Title: 2809 Amir Drive

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

03

Project Title:

Acquisition & Rehabilitation

Projected Start Date:

09/14/2009

Projected End Date:

01/01/2010

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Modesto

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$287,660.00
Total CDBG Program Funds Budgeted	N/A	\$287,660.00
Program Funds Drawdown	\$237,750.00	\$237,750.00
Obligated CDBG DR Funds	\$237,750.00	\$237,750.00
Expended CDBG DR Funds	\$237,750.00	\$237,750.00
City of Modesto	\$237,750.00	\$237,750.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The property appraised at \$239,000 and was purchased at 1.7% below market value at \$235,000. All rehab work to be completed will be cosmetic repairs.
\$287,660.00 to be obligated to fully fund this project.

Location Description:

2809 Amir Drive is located in the Village One area off of Floyd Avenue in Modesto. The homes are relatively new construction and have been hard hit by foreclosures.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purposes, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 2809 Amir Drive, a single family home with a total of 4 bedrooms/2.5 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$287,660. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of Households benefitting	0	0	0	0/0	0/0	0/1

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:	SCATTERED SITE SCAP07
Activity Title:	529 531 Fort Sumpter Drive-SS

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

09/11/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation

Projected End Date:

03/01/2010

Responsible Organization:

City of Modesto

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$241,085.00
Total CDBG Program Funds Budgeted	N/A	\$241,085.00
Program Funds Drawdown	\$127,750.00	\$127,750.00
Obligated CDBG DR Funds	\$127,750.00	\$127,750.00
Expended CDBG DR Funds	\$125,701.91	\$125,701.91
City of Modesto	\$125,701.91	\$125,701.91
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The property is appraised at \$130,000 and is purchased at 3.8% below market value for \$125,000. The rehabilitation will include a new roof as well as kitchen and bathroom remodels as well as other cosmetic upgrades and any health and safety issues.

To be obligated first of next quarter.

Location Description:

529 and 531 Fourt Sumpter is a duplex located in east modesto close to the Airport Neighborhood.

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "scattered sites". For reporting purchases, each of these acquisitions are reported as a separate activity. In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

This is a scattered site property located at 529 531 Fort Sumpter Drive, a duplex with a total of 4 bedrooms/2 baths. This property was purchased by the Stanislaus Community Assistance Project (SCAP) for \$241,085. It has closed escrow and rehab activity is underway. Staff anticipates rehab will be completed in the next quarter and it will be ready for use as a rental property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of housing units	0	0	0	0/0	0/0	0/2
# of Households benefitting	0	0	0	0/0	0/0	0/2

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: TARGET SITES SINGLE FAMILY

Activity Title: Acquisition/Rehab

Activity Category:

Acquisition - general

Project Number:

03

Projected Start Date:

06/08/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Acquisition & Rehabilitation

Projected End Date:

09/11/2011

Responsible Organization:

City of Modesto

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$2,118,330.00
Total CDBG Program Funds Budgeted	N/A	\$2,118,330.00
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:

This activity is a result of a transfer of approximately \$435,000 in additional funds to Acquisition/Rehabilitation program (Targeted Sites) from the Homebuyers Assistance Program. An additional \$118,330.00 was allocated to this activity to acquire/rehab single family homes through the City's Annual Action Plan Amendment process. This activity will provide loans to developers who are interested in purchasing and rehabilitating foreclosed or abandoned homes. The developers can be either non-profit or for-profit groups. Funding will be provided for feasible projects within target areas in the City of Modesto with a high concentration of foreclosures. This program will be consistent with the City of Modesto current Rehabilitation Program. The program will not only provide funding it will also provide financial and technical assistance to repair homes including critical health and safety hazards, and to provide assistance for disabled persons in making their homes more accessible. Provide loans to developers who are interested in purchasing and rehabilitating foreclosed or abandoned homes. The developers can be either non-profit or for-profit groups. Funding will be provided for feasible projects within target areas in the City of Modesto with a high concentration of foreclosures. This program will be consistent with the City of Modesto current Rehabilitation Program. The program will not only provide funding it will also provide financial and technical assistance to repair homes including critical health and safety hazards, and to provide assistance for disabled persons in making their homes more accessible.

The announcement to make this change in funding began with a public notice posted in the local newspaper on October 23, 2009. A public hearing was held on November 24, 2009 in the City Council Chambers at 1010 Tenth Street, Modesto at 5:30 p.m. This public hearing concluded the public comment period.

Location Description:

Targeted sites single family homes based on identified census tracts

Activity Progress Narrative:

The City's NSP Program included \$2 million for property acquisition/rehab in "targeted sites". In Quarter 3, the City processed an amendment to the Annual Action Plan transferring \$780,000 from the Homebuyer's Assistance Program and splitting it evenly between the targeted and scattered site activities. This budget change will be reported in Qtr 4. The decision to split these funds rather than put them all in the targeted sites was based on two factors: 1) there are significant numbers of foreclosures throughout the City, not just in the targeted site locations and 2) private "cash" investors are focusing their efforts on homes in the City's target areas making the City uncompetitive in many of those home sales.

In Quarter 3, 30 foreclosed properties were approved for purchase/rehab. Of these 12 have fallen out of escrow. These fallouts

will not cause any delays or concerns in the progress of the program as the City is still within the anticipated timeframe of expending the funds. The remaining 18 properties (21 total units) are in the process of closing escrow and represent a total value of \$2,203,755 with \$186,244 remaining to allocate.

In the next quarter, staff anticipates closing escrow on all these properties and that rehab will be substantially underway and nearing completion on many. There is no concern about expending all funds allocated to this activity within the program's time constraints. The 18 properties underway are listed below:

- 2024 St. Theresa Way,
- 1412 Ricardo Way,
- 1204 California Ave
- 1805 Chesapeake Ave,
- 2025 San Ramos Court,
- 1405 Dustin Court,
- 901 Fall River Drive,
- 2112 Palisade Ave.
- 1332 Conrad Way,
- 1729 Holcombe Way,
- 1021 Empire Ave, (Airport)
- 909 Stone Pine Way,
- 712 St. Charlotte Lane,
- 2016 St. Sebastian Way,
- 537 Arrowhead Ct,
- 308 Luinda Way,
- 917 Pinecone Drive
- 1325 Tupper Lane

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/21
# of housing units	0	0	0	0/0	0/0	0/21
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/8	0/13	0/21
# of Persons benefitting	0	0	0	0/50	0/50	0/100
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/0
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

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	