

Grantee: Pompano Beach, FL

Grant: B-08-MN-12-0024

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-12-0024

Obligation Date:**Grantee Name:**

Pompano Beach, FL

Award Date:**Grant Amount:**

\$4,366,157.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

Linda Connors

Disasters:

Declaration Number

NSP

Plan Description:

Foreclosures have hit the City of Pompano Beach hard. A recent check of RealtyTrac revealed over 1,900 bank-owned properties in the city and 1,600 in pre-foreclosure proceedings. The foreclosure and abandonment risk scores provided by HUD also show the extent of the impact. In the City of Pompano Beach, the target areas for the Neighborhood Stabilization Program were developed pursuant to the Housing and Economic Recovery Act of 2008 as outlined below: Greatest percentage of home foreclosures; Highest percentage of homes financed by a subprime mortgage related loan; and Areas identified as the most likely to face a significant rise in the rate of home foreclosures. The City analyzed the data from HUD and calculated an average foreclosure rate of 8.67%. The City has established that the areas to prioritize have a rate of 12% or higher for Zone 1, Zone 2 have a rate between 9% and 12%, and Zone 3 have a rate of from 5% to 9%. The City utilized Home Mortgage Disclosure Act (HMDA) data provided by U.S. Department of Housing and Urban Development (HUD) to determine areas that contained the highest percentage of homes financed by a subprime mortgage loan. The City analyzed the data and established an average of 32.68%. The City has determined a minimum high cost loan rate of 50% or higher in determining which areas to prioritize in Zone 1, Zone 2 have a rate between 30% and 50%, and Zone 3 have a rate of from 10% to 30%. Zone 1 will be targeted first for the NSP Program. This area is bordered on the East side by Dixie Highway, North to Sample Road, West to Powerline, then South to Martin Luther King Boulevard, West to Florida Turnpike, South to Atlantic Boulevard, East to Andrews Avenue, South to Cypress Creek Canal. Also in this Zone 1 is an area that is bordered on the East side by Federal Highway, North to North East 54th Street, West to Dixie Highway, and then South to Sample Road. This encompasses Tracts Number; 10800, 30301, 30302, 30401, 30402, 30500, 30600, and 30801. Zip Codes 33060, 33064, and 33069. Zone 2 will be targeted next. The area is in two sections. Section one is bordered on the West by the Florida Turnpike, North to Southwest 48th Avenue, South to McNab Road. Section two is bordered on the East by Federal Highway (US1), North to Sample Road, West to Dixie Highway, South to Northeast 6th Street. This encompasses Tracts Number; 30200, and 50204. Zip Codes 33060, 33064, and 33069. Zone 3 will be the last area in the Neighborhood Stabilization Program areas. This encompasses Tract Number; 30802, 30901, 30902, 31000, 31100, 31201, 31202, and 50203. Blocks that have over 51% of its population at 120% AMI will be focused on. Zip Codes 33062, 33062, and 33069. Zone 4 are blocks with less than 51% of its population with 120% AMI.

Recovery Needs:

The City of Pompano Beach needs to stabilize neighborhoods in order to stall the decline in home values. The needs are as follows;

Acquisition with or without Rehabilitation of Foreclosed Properties

Acquisition with or without Rehabilitation of Foreclosed Properties for households <50% AMI

Demolition of Acquired Foreclosed Properties

Land Banking of Acquired Foreclosed Properties

Redevelop Demolished or Vacant Properties

Planning and Administration

| Overall | This Report Period | To Date |
|--|---------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$4,366,157.00 |
| Total CDBG Program Funds Budgeted | N/A | \$4,366,157.00 |
| Program Funds Drawdown | \$33,980.43 | \$33,980.43 |
| Obligated CDBG DR Funds | \$2,976,961.23 | \$2,976,961.23 |
| Expended CDBG DR Funds | \$0.00 | \$33,342.19 |
| 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 | \$654,923.55 | \$0.00 |
| Limit on Admin/Planning | \$436,615.70 | \$18,537.19 |
| Limit on State Admin | \$0.00 | \$0.00 |

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City of Pompano's NSP program is based on the purchase and rehabilitation of foreclosed single-family homes. Although our foreclosure rate is high city-wide, we targeted two neighborhoods, Pompano Highlands and Cresthaven (Zones 1 & 2), to implement our NSP dollars in such a way that would have the largest impact possible. In implementing our program, it became immediately apparent that we needed to be flexible in order to have success. We hired additional staff to oversee the NSP Program and internalized the rehabilitation efforts. We also had difficulties in purchasing foreclosed properties due to competition with investors. We overcame this obstacle by participating in Chase Bank, Fannie Mae and Deutsche Bank's "First Look" programs and expanding the areas in which we were purchasing properties. We also initiated the process to participate in the National Community Stabilization Trust to acquire homes. In November, we received training and technical assistance from the Florida Housing Coalition and with them designed a presentation regarding foreclosures and the NSP for the public. We will present this to our two target neighborhood associations and also the Pompano Beach Chamber of Commerce in the upcoming months. We also developed a Section 3 Contractors Workshop for contractors interested in working with the City in rehabilitating our NSP homes as well as participating in our other existing programs. This workshop will take place in the next reporting period. We have also visited other NSP communities and attended area NSP Symposiums to learn from other communities successes and failures. In addition to following our initial program to purchase foreclosed properties and sell them to income eligible persons, we are continuously looking outside the box for opportunities to spend our NSP dollars. For example, we toured the northwest area to identify properties that would be eligible to purchase through the NSP. Three

properties have been identified for purchase so that we could demolish the blighted structure and build a new multifamily unit to provide much needed housing opportunities in this neighborhood. In addition, another blighted multifamily property is a candidate to purchase and demolish, thus eliminating an eyesore in the community. While these efforts did not result in expenditures this quarter, they did prepare us for successes in the next quarter and beyond. We are expanding our program as we identify needs in the community and we are confident that we will be able to obligate our remaining funds by our September 2010 deadline.

Project Summary

| Project #, Project Title | This Report Period | To Date | |
|--|------------------------|------------------------|------------------------|
| | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| 1, Administration-OHUI | \$19,175.43 | \$436,615.00 | \$19,175.43 |
| 1A, Administration-PA | \$0.00 | \$0.00 | \$0.00 |
| 2, Acquisition & Rehabilitation Single Family Homes to LMMI | \$14,805.00 | \$1,908,460.00 | \$14,805.00 |
| 2A, Acquisition & Rehabilitation Single Family Homes to LI | \$0.00 | \$1,091,540.00 | \$0.00 |
| 3, Demolition | \$0.00 | \$50,000.00 | \$0.00 |
| 4, Land Banking | \$0.00 | \$79,542.00 | \$0.00 |
| 5, Redevelopment of Vacant Properties for Single Family or Multi | \$0.00 | \$800,000.00 | \$0.00 |
| 9999, Restricted Balance | \$0.00 | \$0.00 | \$0.00 |

Activities

Grantee Activity Number: 1

Activity Title: Administration - OHUI

Activity Category:

Administration

Activity Status:

Planned

Project Number:

1

Project Title:

Administration-OHUI

Projected Start Date:

03/02/2009

Projected End Date:

03/02/2013

National Objective:

N/A

Responsible Organization:

City of Pompano Beach - Office of Housing and Urban

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources

N/A

\$436,615.00

Total CDBG Program Funds Budgeted

N/A

\$436,615.00

Program Funds Drawdown

\$19,175.43

\$19,175.43

Obligated CDBG DR Funds

\$176,961.23

\$176,961.23

Expended CDBG DR Funds

\$0.00

\$18,537.19

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges

Location Description:

City of Pompano Beach Office of Housing and Urban Improvement

Activity Progress Narrative:

The NSP grant award included \$436,000 for Administrative Services. We have hired two full-time City employees, a Community Development Specialist (start date 11/6) and a Housing Specialist (start date 1/25), and have also funded a portion of our support personnel. The Community Development Specialist is responsible for overseeing the entire NSP program, which includes the supervision of The Urban Group as they purchase properties for our NSP program. She is also responsible for marketing the homes, submitting reporting requirements to HUD and monitoring and compliance. The Housing Specialist will prepare the bids for rehabilitation and oversee the rehabilitation efforts. This also includes ensuring that Risk, Police and Code are notified when the property is purchased, executing affidavits of no trespassing and posting no trespassing signs on the properties. Funds expended in this category will be realized on the next quarterly report.

Performance Measures

No Performance Measures found.

Activity Locations

Address

100 W. Atlantic Blvd

City

Pompano Beach

State

NA

Zip

33060

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: 2

Activity Title: Acquisition & Rehabilitation

Activity Category:

Acquisition - buyout of residential properties

Project Number:

2

Projected Start Date:

01/15/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition & Rehabilitation Single Family Homes to LMMI

Projected End Date:

01/15/2013

Responsible Organization:

City of Pompano Beach - Office of Housing and Urban

| Overall | Oct 1 thru Dec 31, 2009 | To Date |
|--|--------------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$1,908,460.00 |
| Total CDBG Program Funds Budgeted | N/A | \$1,908,460.00 |
| Program Funds Drawdown | \$14,805.00 | \$14,805.00 |
| Obligated CDBG DR Funds | \$1,000,000.00 | \$1,000,000.00 |
| Expended CDBG DR Funds | \$0.00 | \$14,805.00 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

The City's Office of Housing and Urban Improvements (OHUI) through its Property Agent will work with lenders to acquire homes that have been foreclosed, vacant for at least 90 days, and are on the lender's or investor's current inventory. The average purchase discount for all properties purchased with NSP funds shall be at least 1% percent off the Appraised Market Value. The City will acquire the properties and do rehabilitation if needed and then sell the properties.

Location Description:

This activity will be carried out in the target areas as referenced in Section A - Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs

Activity Progress Narrative:

The City hired The Urban Group, Inc. (TUG) as the single-agent representative to purchase the properties on behalf of the city and facilitate their rehabilitation and re-sale. Their contract also required them to develop the action plan and procedures and policies of the City's NSP program. This contract was entered into on July 28, 2009. Since that time, TUG produced the following documents:

- Draft Policy and Procedures Guidebook
- Policies for the Repair, Rehabilitation and Construction Phase (produced by OHUI)
- Broker Services Program Policy and Procedure Guidelines
- Acquisition Procedures
- Quality Control and Assurance Plan
- NSP Responsibility Matrix
- Inspection Forms/Schedules
- Reporting System Forms
- Inspection Staff Procedures
- List of Real Estate Brokers Contacted
- Letter sent to Real Estate Brokers.

They have also provided a list of foreclosed properties in the target area along with a "Pipeline" list which identifies those properties that qualify under the City's guidelines). During this activity period, TUG has inspected 45 properties and 32 contracts have been submitted for purchase. We have closed on three (3) homes and an additional contract has been

approved for purchase. Funds associated with these purchases will be reflected on the next QPR.

Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | |
|-----------------------------|--------------------|-----|-------|------------------------------------|-----|-------|
| | Low | Mod | Total | Low | Mod | Total |
| # of Properties | 0 | 0 | 3 | 0/0 | 0/0 | 18/13 |
| # of Households benefitting | 0 | 0 | 0 | 0/0 | 0/8 | 0/13 |

Activity Locations

| Address | City | State | Zip |
|----------------|----------------|-------|-------|
| 3450 NE 14 TER | Pompano Beach | NA | 33064 |
| 625 NW 20 CT | Pomapano Beach | NA | 33064 |
| 2417 NE 13 TER | Pompano Beach | NA | 33064 |

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: 2A

Activity Title: Acquisition & Rehabilitation-LI

Activity Category:

Acquisition - buyout of residential properties

Project Number:

2A

Projected Start Date:

03/02/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Acquisition & Rehabilitation Single Family Homes to LI

Projected End Date:

03/02/2013

Responsible Organization:

City of Pompano Beach Office of Housing and Urban

Overall

Oct 1 thru Dec 31, 2009

To Date

| | | |
|--|----------------|----------------|
| Total Projected Budget from All Sources | N/A | \$1,091,540.00 |
| Total CDBG Program Funds Budgeted | N/A | \$1,091,540.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$1,000,000.00 | \$1,000,000.00 |
| Expended CDBG DR Funds | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

The City's Office of Housing and Urban Improvements (OHUI) through its Property Agent will work with lenders to acquire homes that have been foreclosed, vacant for at least 90 days, and are on the lender's or investor's current inventory. The average purchase discount for all properties purchased with NSP funds shall be at least 1 percent off the Appraised Market Value. The City will acquire the properties and do rehabilitation if needed and then sell the properties.

Location Description:

This activity will be carried out in the target areas as referenced in Section A - Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs

Activity Progress Narrative:

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: 3
Activity Title: Demolition

Activity Category:

Clearance and Demolition

Project Number:

3

Projected Start Date:

03/02/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Demolition

Projected End Date:

03/02/2013

Responsible Organization:

City of Pompano Beach - Office of Housing and Urban

Overall

Oct 1 thru Dec 31, 2009

To Date

| | | |
|--|--------|-------------|
| Total Projected Budget from All Sources | N/A | \$50,000.00 |
| Total CDBG Program Funds Budgeted | N/A | \$50,000.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$0.00 | \$0.00 |
| Expended CDBG DR Funds | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

Housing units acquired through the City's program, which are not economically feasible to rehabilitate, and/or pose a health/safety threat, may be demolished.

Location Description:

This activity will be carried out in the target areas as referenced in Section A Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs.

Activity Progress Narrative:

The NSP team has met with the staff representing the City's Code Enforcement, Nuisance Abatement and Unsafe Structures Board and also representatives from the Sheriff's office to introduce the NSP program and inform them of ways in which we could work to target problem properties for purchase or demolition. As a result, we have targeted three multifamily properties that may be eligible for purchase, demolition and new construction. We are currently proceeding with these properties and hope to purchase them in the next quarter.

Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | |
|-----------------------------|--------------------|-----|-------|------------------------------------|-----|-------|
| | Low | Mod | Total | Low | Mod | Total |
| # of Properties | 0 | 0 | 0 | 0/0 | 0/0 | 0/10 |
| # of Households benefitting | 0 | 0 | 0 | 0/0 | 0/0 | 0/10 |

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: 4

Activity Title: Land Banking

Activity Category:

Land Banking - Disposition (NSP Only)

Activity Status:

Planned

Project Number:

4

Project Title:

Land Banking

Projected Start Date:

03/02/2009

Projected End Date:

03/02/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Pompano Beach - Office of Housing and Urban

Overall

Oct 1 thru Dec 31, 2009

To Date

| | | |
|--|--------|-------------|
| Total Projected Budget from All Sources | N/A | \$79,542.00 |
| Total CDBG Program Funds Budgeted | N/A | \$79,542.00 |
| 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:

Land banking and/or property management of the demolished, abandoned or vacant property purchased for the NSP Program. Land Banking shall not be for more then 10 years.

Location Description:

This activity will be carried out in the target areas as referenced in Section A Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs

Activity Progress Narrative:

No projects are proposed for this activity. We anticipate submitting a plan amendment to reprogram these funds to acquisition.

Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | |
|-------------------------------------|--------------------|-----|-------|------------------------------------|-----|--------|
| | Low | Mod | Total | Low | Mod | Total |
| # of Properties | 0 | 0 | 0 | 0/0 | 0/0 | 0/10 |
| # of housing units | 0 | 0 | 0 | 0/0 | 0/0 | 0/10 |
| Hours Maintaining Banked Properties | 0 | 0 | 0 | 0/0 | 0/0 | 0/2000 |

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: 5
Activity Title: Redevelopment of Vacant Properties SFR/MFR

Activity Category:

Construction of new housing

Activity Status:

Planned

Project Number:

5

Project Title:

Redevelopment of Vacant Properties for Single Family or

Projected Start Date:

03/02/2009

Projected End Date:

03/02/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Pompano Beach - Office of Housing and Urban

| Overall | Oct 1 thru Dec 31, 2009 | To Date |
|---|-------------------------|--------------|
| Total Projected Budget from All Sources | N/A | \$800,000.00 |
| Total CDBG Program Funds Budgeted | N/A | \$800,000.00 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$800,000.00 | \$800,000.00 |
| 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:

Redevelopment of foreclosed, abandoned, or vacant land for Single Family Residences or Multi Family Residences.

Location Description:

This activity will be carried out in the target areas as referenced in Section A – Areas of Greatest Need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehabilitation, ownership, and other criteria affecting costs

Activity Progress Narrative:

The City previously purchased and demolished two foreclosed homes through other funding sources. We are currently preparing RFQ for an architectural drawings to construct a single family home on these properties utilizing NSP funds. This RFQ will be released to the public in early February.

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 | 360/6 |
| # of Households benefitting | 0 | 0 | 0 | 0/0 | 0/3 | 0/6 |

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
