

Grantee: Prince William County, VA

Grant: B-08-UN-51-0002

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-UN-51-0002

Obligation Date:**Grantee Name:**

Prince William County, VA

Award Date:**Grant Amount:**

\$4,134,612.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:

The Prince William Area has experienced a substantial number of foreclosures. To identify the areas hardest hit within Prince William County and the City of Manassas and Manassas Park census tracts were used to determine the current foreclosure data, areas with high percentage of homes financed by subprime loans and areas likely to face a significant rise in the rate of home foreclosures identified in Realty Trac Data. The data indicates that there are 10 neighborhoods in Prince William County Census Tracts 9002,9004,9006,9007, 9008, 9009, 9012, 9015, 9016 and 9017 which all have a HUD Risk Score above 7. For the City of Manassas all 4 census tracts showed foreclosure rates of over 11% and a HUD Risk Score above 6. For Manassas Park the HUD Risk Score was also above 6.

Recovery Needs:

To address the national foreclosure crisis and to address those areas trying to recover from the effects of foreclosure and declining property values funding is provided by the Housing and Economic Recovery Act of 2008 through HUD's Community Development Block Grant (CDBG) Program. The targeted Neighborhood Stabilization Program (NSP) funds will be used to purchase foreclosed homes at a discount and to rehabilitate or redevelop them in order to respond to rising foreclosures and falling home values.

Overall**This Report Period****To Date**

Total Projected Budget from All Sources	N/A	\$4,134,612.00
Total CDBG Program Funds Budgeted	N/A	\$4,134,612.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$413,461.00	\$413,461.00
Expended CDBG DR Funds	\$602,148.00	\$690,241.78
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	\$620,191.80	\$0.00
Limit on Admin/Planning	\$413,461.20	\$88,093.78
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

During the reporting period activity has taken place with closing on properties through the Competitive Activities but no closing have taken place in the MCMP or PWC activities. There have been 5 properties purchased by non-profits to be used for affordable rental housing for persons at or below 50% of AMI. Currently 2 properties are under contract for rehabilitation and 3 properties are in the process of bidding to rehabilitate properties to make them liveable. For the Homeownership Assistance to low and moderate income in Prince William County there is one ratified contract.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
190300, Financing Mechanism	\$0.00	\$0.00	\$3,721,151.00	\$0.00
190300-A, NSP Admin.	\$0.00	\$0.00	\$413,461.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: 190300-Admin

Activity Title: NSP Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

190300-A

Project Title:

NSP Admin.

Projected Start Date:

03/03/2009

Projected End Date:

09/03/2010

National Objective:

N/A

Responsible Organization:

Office of Housing and Community Development

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources

N/A

\$413,461.00

Total CDBG Program Funds Budgeted

N/A

\$413,461.00

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$413,461.00

\$413,461.00

Expended CDBG DR Funds

\$0.00

\$88,093.78

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

General administration and oversight of Neighborhood Stabilization Program (NSP).

Location Description:

Prince William County Office of Housing and Community Development 15941 Donald Curtis Drive, Suite 112 Woodbridge, Virginia 22191

Activity Progress Narrative:

Administrative work with the NSP program to implement the program to assist with the reduction of foreclosed properties within the Prince William Area.

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:	190300-Competitive
Activity Title:	Acquisition & Rehab-Competitive NonProfit

Activity Category:

Acquisition - general

Activity Status:

Under Way

Project Number:

190300

Project Title:

Financing Mechanism

Projected Start Date:

03/03/2009

Projected End Date:

09/03/2010

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Office of Housing and Community Development

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,033,653.00
Total CDBG Program Funds Budgeted	N/A	\$1,033,653.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$601,648.00	\$601,648.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

NSP Eligible Use: HERA 2301 (c) (3) (A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared equity loans for low and moderate income homebuyers. CDBG Eligible Activity: 570.201(n) Direct Homeownership Assistance. Under CDBG program, assistance provided to facilitate homeownership may be in the form of subsidizing interest rates and mortgage principal amounts, payment of closing cost and downpayment assistance to LMI homebuyers, acquiring guarantees for mortgage financing from private lenders, and financing the acquisition by LMI persons of housing they already occupy. The assistance may be provided by the grantee through a subrecipient. CDBG Eligible Activity: 570.202 Acquisition for Rehabilitation. Use this code when property is acquired in order that it may be rehabilitated for housing. This code may be used to reflect the cost of only acquisition if the rehabilitation costs will be paid from another source, or it may also include both the cost of acquisition and rehabilitation if the cost of the rehabilitation is also paid with CDBG funds. \$1,033,653, which is 25% of the NSP allocation will be set aside for the competitive process. All beneficiaries must be 50% or below AMI, and will therefore be used to meet the low income housing requirement for those below 50% AMI. It is anticipated that applicants for funding will propose affordable rental activities that will provide long term affordable housing opportunities not only for low income, but special needs populations. Some of our non-profits that are more geared to providing homeownership opportunities may propose affordable homeownership activities which would serve this low income group. If so, homeownership projects would be given equal consideration in the competitive process. duration or term of assistance; Subrecipients undertaking affordable rental activities through the competitive process will be required to continue use as a rental property serving low income persons for twenty years. a description of how the design of the activity will ensure continued affordability. NSP funds provided to Subrecipients for acquisition/rehabilitation will be secured as a Deed of Trust in the land records of Prince William County deferred and forgiven after thirty years, including shared market appreciation based on a ratio of NSP funds to the total project cost. Deed restrictions will be in place for twenty years to ensure that the property continues use as affordable housing for households at or below 50% AMI. In exchange for the financing from the County, the owner agrees to restrictions on rent and tenant incomes based on Home Investment Partnership (HOME) Rent Limits as published by HUD to ensure affordability for the twenty year period. The twenty year affordability provision is secured by a Deed of Easement and Declaration of Restrictive Covenants running with the land that remains in force even if the property is sold and/or the loan is repaid prior to the expiration of the affordability period. For acquisition activities, include discount rate discount rate will be 15% below current market appraised value For financing activities, include: range of interest rates NSP funding under the competitive process would be 0%, deferred loan forgiven after thirty years. Total Budget: (Include public and private components) NSP funds \$1,033,653 Applicants will be encouraged to leverage other financing resources to maximize use of NSP funds. Exact estimates of other private resources are not available at this time. Virginia Housing Development Authority (VHDA) is a potential financing partner who may provide lower interest loans to entities purchasing through the NSP Program. Details of VHDA involvement in providing financing for NSP acquisitions have not been announced although Prince William County officials have provided input and will support all efforts to leverage other financing.

Location Description:

All projects funded through the competitive process must be located within the following NSP Census Tracts 9002, 9004, 9006, 9007, 9008, 9009, 9012, 9015, 9016, 9017.

Activity Progress Narrative:

Good Shepherd Housing Foundation purchased two properties in August and Northern Virginia Family Service purchased three properties in September. Currently 2 properties are being rehabilitated and 3 properties are out for bid for rehabilitation which should go under contract in next quarter and be completed. After the rehab is completed families with income at or below 50% of AMI will be able to rent units paying no more than 30% of income towards rent and utilities.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	5	0/0	0/0	5/5
# of housing units	0	0	0	0/0	0/0	0/5
# of Households benefitting	0	0	0	0/5	0/0	0/5
# of Persons benefitting	0	0	0	0/5	0/0	0/5

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: 190300-MCMP

Activity Title: Homebuyer Assistance-MC & MP FRAP

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

190300

Project Title:

Financing Mechanism

Projected Start Date:

03/03/2009

Projected End Date:

09/03/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

Manassas Housing Trust Fund, Inc.

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$314,290.00
Total CDBG Program Funds Budgeted	N/A	\$314,290.00
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:

NSP Eligible Use: HERA 2301 (c) (3) (A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared equity loans for low and moderate income homebuyers. CDBG Eligible Activity: 570.201(n) Direct Homeownership Assistance. Under CDBG program, assistance provided to facilitate homeownership may be in the form of subsidizing interest rates and mortgage principal amounts, payment of closing cost and downpayment assistance to LMI homebuyers, acquiring guarantees for mortgage financing from private lenders, and financing the acquisition by LMI persons of housing they already occupy. The assistance may be provided by the grantee through a subrecipient. CDBG Eligible Activity: 570.202 Acquisition for Rehabilitation. Use this code when property is acquired in order that it may be rehabilitated for housing. This code may be used to reflect the cost of only acquisition if the rehabilitation costs will be paid from another source, or it may also include both the cost of acquisition and rehabilitation if the cost of the rehabilitation is also paid with CDBG funds. Downpayment, closing cost and rehabilitation through the City of Manassas Foreclosure Rehabilitation Acquisition Program will be targeted to neighborhoods in the hardest hit Census Tracts within the City of Manassas and Manassas Park. Continued affordability for NSP homebuyers assisted with downpayment, closing costs, and rehabilitation funds will be ensured through a thirty year Deed restriction including a share of market appreciation based on a ratio determined by the amount of NSP funds used for acquisition/rehabilitation to the total acquisition/rehabilitation costs. Deed restrictions will require that the property be maintained as the borrowers principal residence, and will not be subordinated for refinances that remove equity. After thirty years, the loan will be forgiven. The City will use the policies already established in the City's existing Homeownership Assistance Program. The Deed for downpayment and closing cost assistance will be secured in second position in the land records of Prince William County. The rehabilitation loan will be secured in third position in the land records of Prince William County. The principal amount of NSP funds, along with a share of market appreciation based on the ratio of NSP funds to the total acquisition costs will become due and payable when the property ceases to be the principal residence, is sold, the primary loan is refinanced for the purpose of removing equity from the property, the borrower fails or neglects to pay the taxes, assessments, or premiums for hazard, flood (if required) or mortgage insurance, terms of the deed of trust are violated, or 30 years lapse, whichever occurs first. For acquisition activities, include discount rate discount rate will be 15% below current market appraised value For financing activities, include: range of interest rates NSP funding for acquisition/rehabilitation would be 0%, deferred loan forgiven after thirty years. Total Budget: (Include public and private components) \$ 314,290 NSP Funds \$1,572,000 Private Mortgage Financing \$ 28,000 Borrower downpayment Contribution \$1,914,290 Total

Location Description:

City of Manassas allocation of NSP funds totaling \$227,696 will be targeted to neighborhoods in the hardest hit Census Tracts within the City of Manassas 9101, 9102, and 9104. City of Manassas Park allocation of NSP funds totaling \$86,594 will be targeted to an older neighborhood Manassas Park in Census Tract 9201 with the highest number of current foreclosures which also has been designated with a high risk score in HUD's Foreclosure and Abandonment Risk Data.

Activity Progress Narrative:

During this reporting period seven homebuyer families have been pre qualified and determined eligible to purchase. Homebuyers have been actively searching for properties, and writing contracts. There have been no contracts ratified for the Manassas City and Manassas Park allocation of funds. Staff continues an active marketing program in an attempt to attract a sufficient number of applicants to meet the performance goals established for the program. Staff participated in the BRAC events sponsored on July 14 and 29, 2009. Program information was made available to federal employees who may be relocated to the Quantico and Fort Belvoir military bases. Program information was given in seminar format on August 18, 2009 to Prince William County School employees, and staff was available to answer questions during the five hour event. Staff participated in the 2009 Back to School Expo held at Manassas Mall on August 22, 2009 where program information was made available on the day of the event, and also by advertisement in the Expo's newspaper publication. Staff also participated in the September 26, and 27, 2009 Occoquan Festival where program information was available for event attendees. Staff worked with Fannie Mae and Bank of America representatives to take advantage of their "First Look" programs. First Look programs will provide an advantage to NSP purchasers who have an opportunity to make a purchase offer before the properties are advertised to the public.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/8
# of Households benefitting	0	0	0	0/4	0/4	0/8

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: 190300-PWC

Activity Title: Homebuyer Assistance-PWC FRAP

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

190300

Project Title:

Financing Mechanism

Projected Start Date:

03/03/2009

Projected End Date:

09/03/2010

National Objective:

NSP Only - LMMI

Responsible Organization:

Office of Housing and Community Development

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$2,373,208.00
Total CDBG Program Funds Budgeted	N/A	\$2,373,208.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$500.00	\$500.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

NSP Eligible Use: HERA 2301 (c) (3) (A) Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-second, loan loss reserves, and shared equity loans for low and moderate income homebuyers. CDBG Eligible Activity: 570.201(n) Direct Homeownership Assistance. Under CDBG program, assistance provided to facilitate homeownership may be in the form of subsidizing interest rates and mortgage principal amounts, payment of closing cost and downpayment assistance to LMI homebuyers, acquiring guarantees for mortgage financing from private lenders, and financing the acquisition by LMI persons of housing they already occupy. The assistance may be provided by the grantee through a subrecipient. CDBG Eligible Activity: 570.202 Acquisition for Rehabilitation. Use this code when property is acquired in order that it may be rehabilitated for housing. This code may be used to reflect the cost of only acquisition if the rehabilitation costs will be paid from another source, or it may also include both the cost of acquisition and rehabilitation if the cost of the rehabilitation is also paid with CDBG funds. Continued affordability for NSP homebuyers assisted with downpayment, closing costs, and rehabilitation funds will be ensured through a thirty year Deed restriction including a share of market appreciation based on a ratio determined by the amount of NSP funds used for acquisition/rehabilitation to the total acquisition/rehabilitation costs. Deed restrictions will require that the property be maintained as the borrowers principal residence, and will not be subordinated for refinances that remove equity. After thirty years, the loan will be forgiven. The County will use the policies already established in the Countys existing Homeownership Assistance Program, and Rehabilitation Acquisition Program. The Deed for downpayment and closing cost assistance will be secured in second position in the land records of Prince William County. The rehabilitation loan will be secured in third position in the land records of Prince William County. The principal amount of NSP funds, along with a share of market appreciation based on the ratio of NSP funds to the total acquisition costs will become due and payable when the property ceases to be the principal residence, is sold, the primary loan is refinanced for the purpose of removing equity from the property, the borrower fails or neglects to pay the taxes, assessments, or premiums for hazard, flood (if required) or mortgage insurance, terms of the deed of trust are violated, or 30 years lapse, whichever occurs first. For acquisition activities, include discount rate discount rate will be 15% below current market appraised value For financing activities, include: range of interest rates NSP funding for acquisition/rehabilitation would be 0%, deferred loan forgiven after thirty years. Total Budget: (Include public and private components) \$ 2,373,208 NSP Funds \$ 10,021,500 Private Mortgage Financing \$ 178,500 Borrower Downpayment Contribution \$ 12,573,208 Total

Location Description:

All projects funded through the program must be located within 10 census tracts in Prince William County which were the identified areas hit hardest with foreclosures. The census tracts are 9002, 9006, 9007, 9008, 9009, 9012, 9015, 9016, 9017.

Activity Progress Narrative:

During this reporting period seven homebuyer families have been pre qualified and determined eligible to purchase. Homebuyers have been actively searching for properties, and writing contracts. Due to the competition in the market from investors and other purchasers only one purchaser has been able to obtain a ratified contract. Settlement is scheduled in November.

Staff continues an active marketing program in an attempt to attract a sufficient number of applicants to meet the performance goals established for the program.

Staff participated in the BRAC events sponsored on July 14 and 29, 2009. Program information was made available to federal employees who may be relocated to the Quantico and Fort Belvoir military bases.

Program information was given in seminar format on August 18, 2009 to Prince William County School employees, and staff was available to answer questions during the five hour event.

Staff participated in the 2009 Back to School Expo held at Manassas Mall on August 22, 2009 where program information was made available on the day of the event, and also by advertisement in the Expo's newspaper publication.

Staff also participated in the September 26, and 27, 2009 Occoquan Festival where program information was available for event attendees.

Staff worked with Fannie Mae and Bank of America representatives to take advantage of their "First Look" programs. First Look programs will provide an advantage to NSP purchasers who have an opportunity to make a purchase offer before the properties are advertised to the public. The first ratified contract in the homebuyer program was made possible by Fannie Mae's First Look 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	0/50
# of Households benefitting	0	0	0	0/15	0/35	0/50

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	
