

Grantee: Riverside County, CA

Grant: B-08-UN-06-0504

July 1, 2020 thru September 30, 2020 Performance Report

Grant Number: B-08-UN-06-0504	Obligation Date: 03/03/2009	Award Date: 02/25/2009
Grantee Name: Riverside County, CA	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$48,567,786.00	Grant Status: Active	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$48,567,786.00	Estimated PI/RL Funds: \$43,833,075.43	
Total Budget: \$92,400,861.43		

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The number and concentration of foreclosed units varies throughout the County's CDBG/NSP program area. There are pockets of heavy concentrations within several participating cities and semi-urban unincorporated areas. In addition, there are several rural areas and remote mountain communities with a number of foreclosed units spread over a larger area.

The County has determined that the most effective and appropriate method to identify and target the areas with the greatest need and most impacted by the foreclosure crisis is a correlation between actual foreclosed units (using an established local data source) and HUD's Foreclosure and Abandonment Risk Score data.

The County is using RealtyTrac data to map the actual foreclosed units. The HUD Risk Scores are indicated by 2000 U.S. Census block groups and do not necessarily correspond to other boundaries. In the populated urban areas, the census block groups are smaller, and therefore more numerous; conversely, block groups in rural areas are much larger, yet they contain fewer people and fewer foreclosures. The HUD Foreclosure and Abandonment Risk Score data for the County's program area is available upon request.

Each NSP Target Area includes target area name, Supervisorial District, total area, corresponding HUD Risk Score, and the NSP map number.

1. All five supervisorial district have NSP Target Areas;
2. Target areas are located in unincorporated areas and thirteen cooperating cities;
3. 22 out of 23 (96%) of the target areas comprise block groups with HUD Risk scores of 8 or higher;
4. 12 out of 23 (51%) target areas comprise block groups with HUD Risk Scores of 9 or higher;
5. The NSP Target Areas comprise 478.06 square miles or 6.99% of the County's total CDBG program area; and

Attachment A to this NSP Substantial Amendment contains maps that provide visual representations of the County's NSP Target Areas. The maps indicate the fixed boundaries of the target areas, concentrations of foreclosed units, and HUD Risk Scores. In addition, each map identifies political boundaries, major roads and highways, and contains a legend identifying the types of foreclosed properties. Attachment E provides Census Block Group data for the twenty-three (23) designated NSP Target Areas.

Given the significant size of the County of Riverside, and the large amount of NSP funds, the County has determined that designating twenty-three target areas is appropriate and equitable. Further, these limited target areas will allow for the focused investment of NSP funds in neighborhoods that have been most impacted by the foreclosure crisis.

Distribution and and Uses of Funds:

NSP funds will be used in five (5) primary activities, plus administration:

1. Acquisition, rehabilitation, and resale to first-time homebuyers - \$33,649,564;
2. Acquisition, rehabilitation, and rental, to very-low income persons - \$204,000;
3. Enhanced First-Time Home Buyer Program - \$2,181,120;
4. Acquisition and rehabilitation of foreclosed, vacant multi-family properties, new construction of multi-family rental projects - \$7,677,316; and
5. Redevelopment of vacant or demolished properties, or the reconstruction and redevelopment of acquired or demolished residential properties, for single family, multifamily housing projects and public facilities - \$2,360,000
6. NSP program administration: administration costs will not exceed ten-percent (10%) of the NSP grant and ten-percent

(10%) of program income - \$4,855,786.

**Definitions and Descriptions:**

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

The County of Riverside defines blight consistent with the California Health and Safety Code definition of a blighted structure as:

California Health and Safety Code Section 33030

It is found and declared that there exist in many communities blighted areas that constitute physical and economic liabilities, requiring redevelopment in the interest of health, safety, and general welfare of the people of these communities and of the state.

A blighted area is one that contains BOTH of the following:

- a. An area that is predominately urbanized, as the term is defined in section 33320.1, and is an area in which the combination of conditions set forth in Section 33031 is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.
- b. An area that is characterized by one or more conditions set forth in any paragraph of subdivision (a) of Section 33031 and one or more conditions set forth in any paragraph of subdivision (b) of Section 33031.

(2) Definition of "affordable rents.

The County of Riverside defines affordable rents consistent with the California Health and Safety Code definition of affordable rents as:

California Health and Safety Code Section 50053

- (a) For any rental housing development that receives assistance prior to January 1, 1991, and a condition of that assistance is compliance with this section, "affordable rent" with respect to lower income households shall not exceed the percentage of the gross income of the occupant person or household established by regulation of the department that shall not be less than 15 percent of gross income nor exceed 25 percent of gross income.
- (b) For any rental housing development that receives assistance on or after January 1, 1991, and a condition of that assistance is compliance with this section, "affordable rent," including a reasonable utility allowance, shall not exceed:
  - i. For extremely low income households the product of 30 percent times 30 percent of the area median income adjusted for family size appropriate for the unit.
  - ii. For very low income households, the product of 30 percent times 50 percent of the area median income adjusted for family size appropriate for the unit.
  - iii. For lower income households whose gross incomes exceed the maximum income for very low income households, the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those lower income households with gross incomes that exceed 60 percent of the area median income adjusted for family size,i

**Definitions and Descriptions:**

t shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

- iv. For moderate-income households, the product of 30 percent times 110 percent of the area median income adjusted for family size appropriate for the unit. In addition, for those moderate-income households whose gross incomes exceed 110 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

**Low Income Targeting:**

The County's total NSP allocation is \$48,567,786. The County will allocate at least 25%, or \$12,141,947, for housing activities that benefit individuals and families whose incomes do not exceed 50% of the area median income (See Attachment C).

The County will utilize the 25% set-aside for very-low income persons through activity NSP 4 (described in Section B.2). Where feasible and appropriate, the County will assist very-low income families through other NSP activities such as the Enhanced First-Time Homebuyer Program.

**Acquisition and Relocation:**

All activities below are anticipated to be initiated upon the release of NSP funds. All funds will be initially committed within eighteen (18) months. Several of these activities anticipate the receipt of program income which will continue to be used within the NSP guidelines until the program ends (estimated July 2013).

- a. No conversions are anticipated. A small number of units may be acquired and demolished. The County does not anticipate any of these units to have affordability covenants; however, some of these may have been occupied and/or owned by low- and moderate-income households. The number of units in this category should not exceed eight (8).
- b. The number of NSP affordable housing units made available to low-, moderate-, and middle-income households reasonably expected to be produced by the various activities are as follows:
  - i. Acquisition/Rehabilitation/Resale to First-Time Homebuyer: With an allocation of \$20,000,000 of NSP allocated and expended for this activity, the County anticipates 150 units being made available to households with incomes at 51% to 120% of the area median income.

The amount of final NSP assistance per unit will depend upon purchase price of units, rehabilitation costs, disposable income of purchaser (affordability), and the availability of private and other non-NSP financing. It is anticipated that most units will be sold to households earning between 75% and 120% of the area median income.

In the event that other private and non-NSP funds are limited, the County may have to finance all or a larger portion of the sale of a unit. This will result in a significantly lower number of units being made available.

ii. Acquisition/rehabilitation/rental: With an allocation of \$1,855,000 for this activity, the County anticipates up to ten (10) units being acquired, rehabilitated, and made available to rent to households earning less than 120% of the area median income. The amount of final NSP assistance per unit will depend upon purchase price of units and final rehabilitation costs.

iii. Enhanced First-Time Homebuyer: With an allocation of \$9,700,000, the County anticipates that up to 190 units will be made available to households with incomes at 51% to 120% of the area median income. The amount of final NSP assistance per unit will depend upon purchase price of units, rehabilitation costs, disposable income of purchaser (affordability), and the availability of private and other non-NSP financing. It is anticipated that most units will be sold to households earning between 75% and 120% of the area median income.

c. The number of dwelling units anticipated to be made available to households at or below 50% AMI: The number of units to be made available to households earning less than fifty-percent (50%) AMI will be dependent upon the amountof leveraging that th

Acquisition and Relocation:

e affordable housing partners can produce, as well as acquisition and rehabilitation costs. The County anticipates that 40-120 units will be made available for this income category.

The County of Riverside does not intend to demolish or convert any existing low or moderate-income dwelling units.

Public Comment:

On October 25, 2008, the Riverside County Board of Supervisors directed the Economic Development Agency to develop and prepare the Draft Substantial Amendment for the County's NSP allocation. On November 10, 2008, the Draft NSP Substantial Amendment was placed on Economic Development Agency's website (www.rivcoeda.org), with a link on the County's main website (www.countyofriverside.us). Printed versions of the draft NSP plan were made available at the following locations:

Economic Development Agency  
5555 Arlington Avenue  
Riverside, CA 92504

Workforce Development Center  
44-199 Monroe Street  
Indio, CA 92201

On November 11, 2008, the County published a Public Notice in the Press Enterprise (a publication of general circulation) informing the public of the availability of the Draft NSP Substantial Amendment for public comment and review until 5:00 PM, on November 26, 2008.

In summary, the public was provided a sixteen (16) day comment period for the draft NSP substantial amendment. The County received three (3) comments (two written, one verbal) regarding the draft NSP plan during the comment period. A summary of these comments can be found in Attachment D of this document.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$90,018,824.81
Total Budget	\$0.00	\$89,038,315.13
Total Obligated	\$0.00	\$89,038,315.13
Total Funds Drawdown	\$48,163.77	\$87,881,991.06
Program Funds Drawdown	\$0.00	\$44,484,975.80
Program Income Drawdown	\$48,163.77	\$43,397,015.26
Program Income Received	\$0.00	\$43,833,075.43
Total Funds Expended	\$48,163.77	\$87,881,991.06
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

## Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$7,285,167.90	\$0.00
Limit on Admin/Planning	\$4,856,778.60	\$8,109,738.30
Limit on Admin	\$0.00	\$8,109,738.30
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$23,100,215.36	\$29,633,821.59

## Overall Progress Narrative:

During this current reporting period ending September 30, 2020 the County of Riverside has continued to work with developers to try to identify eligible projects to spend down NSP funds. The County will be awarding Veterans Village, \$1,500,000 in NSP 1 funds November 2020, the project is a proposed 60-unit multifamily housing development for Veterans in the City of Cathedral City. Veterans Village recently received an allocation of 9% tax credits, and they are scheduled to close construction financing by January 2021. Construction will commence immediately right after construction financing closing and construction is expected to be completed within 18 months.

The County is also in receipt of an application for \$700,000 in NSP funds from Habitat for Humanity Inland Valley for the development of 6 self-help homes in the City of Temecula. We are currently underwriting and preparing the environmental assessment for the proposed project.

Overall, the County is confident that it will be successful in obligating the remaining NSP funds by the end of the year.

## Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
09-NSP01, Acq, Rehab, Resale, FTHB	\$0.00	\$64,597,437.12	\$29,600,317.52
09-NSP02, Acq, Rehab, Rental	\$0.00	\$204,000.00	\$144,533.63
09-NSP03, Enhanced FTHB	\$0.00	\$3,391,323.57	\$1,719,452.00
09-NSP04, Acq/Rehab, Frclsd, Vac, or Multi-fam Rental	\$0.00	\$12,317,014.64	\$7,187,239.60
09-NSP06, Administration	\$0.00	\$9,240,086.10	\$3,879,734.37
15-NSP1.5, Redevelopment and Reconstruction	\$0.00	\$2,651,000.00	\$1,953,698.68
DELETED-ACTIVITIES, DELETED-ACTIVITIES (Temporary)	\$0.00	\$0.00	\$0.00

Activities

Project # / 09-NSP06 / Administration

Grantee Activity Number: 09-NSP0601  
Activity Title: NSP Admin Draws

<b>Activitiy Category:</b> Administration	<b>Activity Status:</b> Under Way
<b>Project Number:</b> 09-NSP06	<b>Project Title:</b> Administration
<b>Projected Start Date:</b> 05/10/2009	<b>Projected End Date:</b> 01/29/2021
<b>Benefit Type:</b> ( )	<b>Completed Activity Actual End Date:</b>
<b>National Objective:</b> N/A	<b>Responsible Organization:</b> Riverside County Economic Development Agency

Overall	Jul 1 thru Sep 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$8,443,515.24
Total Budget	\$0.00	\$8,443,515.24
Total Obligated	\$0.00	\$8,443,515.24
Total Funds Drawdown	\$48,163.77	\$7,313,167.44
Program Funds Drawdown	\$0.00	\$3,605,846.38
Program Income Drawdown	\$48,163.77	\$3,707,321.06
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$48,163.77	\$7,313,167.44
Riverside County Economic Development Agency	\$48,163.77	\$7,313,167.44
Riverside County Economic Development Agency -	\$0.00	\$0.00
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

**Activity Description:**  
This activity is grant administration which includes, but is not limited to, the following activities: general management, oversight, coordination, public information, reporting, evaluation, and indirect costs. Total expenditure is limited to 10% of original grant plus program income.

**Location Description:**  
5555 Arlington Avenue, Riverside, CA 92504

**Activity Progress Narrative:**  
updated total funds expended to equal total funds drawn.

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	

Project # / 15-NSP1.5 / Redevelopment and Reconstruction

Grantee Activity Number:	17-NSP1.5-001
Activity Title:	Hayman House

Activitiy Category:	Activity Status:
Rehabilitation/reconstruction of residential structures	Under Way
Project Number:	Project Title:
15-NSP1.5	Redevelopment and Reconstruction
Projected Start Date:	Projected End Date:
04/23/2018	01/28/2021
Benefit Type:	Completed Activity Actual End Date:
Direct ( HouseHold )	
National Objective:	Responsible Organization:
NSP Only - LMMI	Habitat for Humanity Inland Valley, Inc.

Overall	Jul 1 thru Sep 30, 2020	To Date
Total Projected Budget from All Sources	N/A	\$291,000.00
Total Budget	\$0.00	\$291,000.00
Total Obligated	\$0.00	\$291,000.00
Total Funds Drawdown	\$0.00	\$265,023.73
Program Funds Drawdown	\$0.00	\$158,559.43
Program Income Drawdown	\$0.00	\$106,464.30
Program Income Received	\$0.00	\$0.00

<b>Total Funds Expended</b>	\$0.00	\$265,023.73
Habitat for Humanity Inland Valley, Inc.	\$0.00	\$265,023.73
Riverside County Economic Development Agency -	\$0.00	\$0.00
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

### Activity Description:

On April 24, 2018 that Board of Supervisors, County of Riverside, has approved the use of \$291,000 of NSP1 funds to relocate a real property in the city of Lake Elsinore and rehabilitate this single family residential home (2 bedroom - 1 bathroom), which shall be sold to and occupied by a low income household.

### Location Description:

Habitat Inland Valley will utilize NSP1 funds to relocate a certain real property located at 307 North Main St, Lake Elsinore APN 374-073-009 (Existing Home) to 310 East Pottery St., Lake Elsinore APN 377-292-027.

### Activity Progress Narrative:

Home has been completed, eligible buyer has been identified and escrow is scheduled to close by November 2020. This activity will be closed by next reporting period.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1

  

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	1/1
# of Singlefamily Units	0	1/1

### 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	

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