

Grantee: San Bernardino, CA

Grant: B-08-MN-06-0520

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-06-0520

Obligation Date:**Grantee Name:**

San Bernardino, CA

Award Date:**Grant Amount:**

\$8,408,558.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:

within the last 18 months there has been a dramatic rise in the number of foreclosed residential properties in the City of San Bernardino. In fact, the City of San Bernardino only ranked behind the City of Stockton as the city with the highest foreclosure rate in California. Also, there have been approximately 3,700 foreclosed residential properties in the City of San Bernardino from January 1, 2008 to March 31, 2009. This represent approximately 10% of the City's housing stock. Such a high level of foreclosures has the potential to destabilize communities. There is added and slum and blight, vandalism, homelessness, and other types of damage to the fabric of the community as a result of a high foreclosure rate.

Recovery Needs:

The City of San Bernardino, needs funding from an outside source, such as the NSP Program, in order to refurbish and re-sell some of the many foreclosed homes currently on the market. This will help to stabilize property market values, as there will be fewer foreclosed homes on the market. Also, funding is needed to provide affordable, rental housing for those who can no longer afford to live in their own house. This would help to reduce the number of homeless in the community. Finally, funds are needed to clean up some of the slum and blight created whenever there are a large number of foreclosed and abandoned houses in the community.

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

Total Projected Budget from All Sources	N/A	\$8,408,558.00
Total CDBG Program Funds Budgeted	N/A	\$8,408,558.00
Program Funds Drawdown	\$413,452.95	\$413,452.95
Obligated CDBG DR Funds	\$413,452.95	\$413,452.95
Expended CDBG DR Funds	\$413,452.95	\$413,452.95
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	\$1,261,283.70	\$0.00
Limit on Admin/Planning	\$840,855.80	\$27,985.70
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

While the Agency has only entered a total of \$413,453 in obligated funds in the DRGR system, in actuality the Agency has obligated a total of \$1,410,149 in NSP funds to date. The difference of \$996,696 in obligated funds has not yet been entered in DRGR for the primary reason that the Agency has not yet closed on escrow on some of the properties or the Agency does not yet have a final accounting of the total project costs for other properties. The \$1,410,149 in obligated funds represents approximately 22% of the total NSP1 funding allocated to the City of San Bernardino. Assuming this expenditure rate throughout calendar years 2009 and 2010, the Agency should be able to obligate all of its NSP1 funding by the program deadline date of September 2010. The Agency has been more successful in obligating its funding in some activities versus others. For example, while the Agency has already obligated 42% of the funding allocated for the NSP Rental Housing Opportunities Activity, it has yet to obligate any funds for its Homeownership Assistance Activity. This will probably require a re-allocation of funding between the various NSP activities. The overall outlook from the Agency indicates that the Agency should be successful in obligating its entire NSP1 funding allocation by the program deadline date.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$0.00	\$413,452.95	\$9,968,558.00	\$413,452.95

Activities

Grantee Activity Number: NSP-002

Activity Title: NSP Rental Housing Opportunities Program

Activity Category:

Acquisition - buyout of residential properties

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/30/2009

Projected End Date:

03/01/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Economic Development Agency of the City of San

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$2,620,000.00
Total CDBG Program Funds Budgeted	N/A	\$2,620,000.00
Program Funds Drawdown	\$370,142.25	\$370,142.25
Obligated CDBG DR Funds	\$370,142.25	\$370,142.25
Expended CDBG DR Funds	\$370,142.25	\$370,142.25
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

To acquire foreclosed or abandoned multi-family properties according to the discount price and other requirements stipulated by the NSP Program for the purpose of rehabilitating them and renting them to households whose income is at or below 50% of AMI.

Location Description:

Those census tract blocks within the City of San Bernardino identified as having the greatest risk of being affected by the current wave of foreclosure activity affecting the housing market in the City of San Bernardino. These census tract blocks are effectively the "NSP Target Zone". These census tract blocks were identified by using the three metrics suggested and provided by HUD: 1. The incidence of sub-prime mortgages within the census tract block; 2. The risk of abandonment or foreclosure of homes within the census tract block and 3. The 18-month projected foreclosure rate for the census tract block.

Activity Progress Narrative:

The Agency has acquired two foreclosed four-plexes with the intention of rehabilitating these properties and renting them out to households whose total income is equal to or less than 50% AMI. Rehabilitation work on these units is scheduled to commence in December of 2009. While only \$370,142.25 is shown as being obligated in DRGR for this activity, the actual amount that is obligated is \$888,842 when factoring the cost of the rehabilitation work that will go into these two properties and other program delivery costs. DRGR will be updated to reflect the higher obligation figure from above once the rehabilitation budgets for these properties are finalized. The \$888,842 in total obligated funds to date, represents approximately 42% of the overall budget of \$2,100,000 for this activity. Based on this expenditure rate, the Agency is on track to obligate all NSP1 funds for this activity by the deadline date of September 2010.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	2	0/0	0/0	2/10
# of housing units	0	0	8	0/0	0/0	8/50
# of Households benefitting	8	0	8	8/50	0/0	8/50
# 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	2	0/0	0/0	2/10
Total acquisition compensation to	0	0	370142	0/0	0/0	370142/262000

Activity Locations

Address	City	State	Zip
2194 E 19th Street	San Bernardino	NA	92404
2030 E 19th Street	San Bernardino	NA	92404

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-003

Activity Title: NSP Intermediary Services Program

Activity Category:

Acquisition - buyout of residential properties

Project Number:

BCKT

Projected Start Date:

06/30/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Bucket Project

Projected End Date:

03/01/2013

Responsible Organization:

Economic Development Agency of the City of San

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$3,700,000.00
Total CDBG Program Funds Budgeted	N/A	\$3,700,000.00
Program Funds Drawdown	\$15,325.00	\$15,325.00
Obligated CDBG DR Funds	\$15,325.00	\$15,325.00
Expended CDBG DR Funds	\$15,325.00	\$15,325.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

To acquire foreclosed or abandoned single-family homes according to the discount price and other requirements stipulated by the NSP Program for the purpose of rehabilitating them and re-selling them to households whose income is at or below 120% of AMI.

Location Description:

Those census tract blocks within the City of San Bernardino identified as having the greatest risk of being affected by the current wave of foreclosure activity affecting the housing market in the City of San Bernardino. These census tract blocks are effectively the "NSP Target Zone". These census tract blocks were identified by using the three metrics suggested and provided by HUD: 1. The incidence of sub-prime mortgages within the census tract block; 2. The risk of abandonment or foreclosure of homes within the census tract block and 3. The 18-month projected foreclosure rate for the census tract block.

Activity Progress Narrative:

While the DRGR system only reflects \$15,325 as being expended for this activity to date, in actuality there is a total of \$570,496 that has been obligated to properties that will be rehabilitated and sold to households whose total income is equal to or less than 120% AMI. In addition to the two properties named in this report, the Agency is in escrow to acquire two additional single family houses, which will also be restored and sold to low to moderate income homebuyers. Total funds obligated for these four properties will be entered in DRGR at the next report cycle. Rehabilitation work on these first four properties is scheduled to commence in November 2009. The \$570,496 obligated to date represents approximately 15% of the total funding allocated for this activity. At this expenditure rate, the Agency should have all of the funds obligated for this activity by September 2010. This is highly feasible, since the Agency expects to begin acquiring more foreclosed single family homes since it will start receiving property listings from more sellers.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	2	0/0	0/0	2/100
# of housing units	0	0	2	0/0	0/0	2/100
# of Households benefitting	0	2	2	0/0	2/100	2/100
# 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	2	0/0	0/0	2/100
Total acquisition compensation to	0	0	0	0/0	0/0	0/3700000

Activity Locations

Address	City	State	Zip
1605 Guthrie Street	San Bernardino	NA	92404
1725 Mountain View Avenue	San Bernardino	NA	92405

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-004

Activity Title: NSP Acquisition & Demolition

Activity Category:

Clearance and Demolition

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/30/2009

Projected End Date:

03/01/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Economic Development Agency of the City of San

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$1,320,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,320,000.00
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:

To acquire foreclosed or abandoned residential properties according to the discount price and other requirements stipulated by the NSP Program for the purpose of demolishing them and holding them until a future redevelopment opportunity is identified.

Location Description:

Those census tract blocks within the City of San Bernardino identified as having the greatest risk of being affected by the current wave of foreclosure activity affecting the housing market in the City of San Bernardino. These census tract blocks are effectively the "NSP Target Zone". These census tract blocks were identified by using the three metrics suggested and provided by HUD: 1. The incidence of sub-prime mortgages within the census tract block; 2. The risk of abandonment or foreclosure of homes within the census tract block and 3. The 18-month projected foreclosure rate for the census tract block.

Activity Progress Narrative:

The Agency has not obligated any funds in DRGR for this activity to date; however, the Agency is currently in escrow to acquire four properties that will be demolished and held for future redevelopment opportunities. Two of the properties in escrow are single family homes. The other two properties are four-plexes. This represents a total of 10 units that will soon be acquired by the Agency for the purpose of demolition. The total acquisition costs for these four properties is estimated to be \$336,888. This amount represents approximately 37% of the total funds allocated for this activity. At this expenditure rate, the Agency is on track to obligate all NSP1 funding for this activity by the deadline date of September 2010.

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	0/25
# of Households benefitting	0	0	0	0/0	0/25	0/25

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-00A
Activity Title:	NSP Program Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

10/01/2008

Projected End Date:

03/01/2013

National Objective:

N/A

Responsible Organization:

Economic Development Agency of the City of San

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$768,558.00
Total CDBG Program Funds Budgeted	N/A	\$768,558.00
Program Funds Drawdown	\$27,985.70	\$27,985.70
Obligated CDBG DR Funds	\$27,985.70	\$27,985.70
Expended CDBG DR Funds	\$27,985.70	\$27,985.70
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Manage, monitor and coordinate the various activities needed to set-up and implement the City of San Bernardino's NSP Housing Programs, from entering the Action Plan in DRGR to rehabilitating and selling the individual properties.

Location Description:

Those census tract blocks within the City of San Bernardino identified as having the greatest risk of being affected by the current wave of foreclosure activity affecting the housing market in the City of San Bernardino. These census tract blocks are effectively the "NSP Target Zone". These census tract blocks were identified by using the three metrics suggested and provided by HUD: 1. The incidence of sub-prime mortgages within the census tract block; 2. The risk of abandonment or foreclosure of homes within the census tract block and 3. The 18-month projected foreclosure rate for the census tract block.

Activity Progress Narrative:

The \$27,985 expended for program administration costs to date only represents 3.6% of the funding amount budgeted for this activity. At this expenditure rate, it is likely that the Agency will not exhaust all of its administrative funding by the program deadline date. The Agency is currently considering whether to re-allocate a portion of program administration funds to other NSP program activities. Much of the work being performed by Agency staff has been classified as program delivery costs (for example, contract negotiations, property acquisition, third party contractor administration) and has thus not created as great a demand on administrative funding as initially anticipated. The Agency will monitor these expenditures closely and will amend the budget as necessary.

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
