

Grantee: San Diego County, CA

Grant: B-08-UN-06-0506

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-UN-06-0506

Obligation Date:**Grantee Name:**

San Diego County, CA

Award Date:**Grant Amount:**

\$5,144,152.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:

This Action Plan is for the CDBG Neighborhood Stabilization Program Grant. The activity categories do not have a performance measure for a middle income category, so for the 70 families assisted under activity #1, it is estimated that 50 middle income households will be assisted under the NSP. INTRODUCTION On July 30, 2008, Congress passed the Housing and Economic Recovery Act that appropriated \$3.92 billion of CDBG funds nationwide for emergency assistance for foreclosed or abandoned properties. On September 29, 2008, this \$3.92 billion was allocated to local and state jurisdictions by the U.S. Department of Housing and Urban Development (HUD), establishing the Neighborhood Stabilization Program (NSP). The County of San Diego's CDBG jurisdiction was allocated \$5,144,152 in grant funds. The County's jurisdiction includes the geographically large unincorporated area and the participating cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach. These grant funds are intended for the acquisition of foreclosed or abandoned properties that could be sources of blight within community. The County of San Diego's Department of Housing and Community Development (HCD) will administer the County's allocation of these funds. The strategy developed by the County of San Diego for the use of these funds will: 1. Create homebuyer opportunities for income eligible households to purchase foreclosed or abandoned homes; 2. Provide funds for the rehabilitation of foreclosed or abandoned homes purchased through this program with an emphasis on improvements resulting in increased energy efficiency and conservation of natural resources; 3. Provide funds to non-profit organizations and/or housing developers to purchase foreclosed or abandoned properties for rental units for income eligible households and/or special needs households. The NSP Action Plan detail is reflected in full under "Recovery Needs" below.

Recovery Needs:**A. AREAS OF GREATEST NEED**

To determine the geographic areas of greatest NSP need within the County of San Diego's jurisdiction, data provided by HUD that identified communities by census tract and census block group and local data from DataQuick Information Systems containing the number of trustees deeds of single family attached and detached residential units filed over an 18 month period from April 1, 2007 through September 30, 2008 was utilized. The NSP target areas for funding are those having a HUD data risk factor of five (5) or more and/or a foreclosure rate of two (2) percent or more. A map to be sent along with the certifications will identify the communities within the County of San Diego's jurisdiction that will be targeted based on the two sets of data.

B. DISTRIBUTION AND USES OF FUNDS

Target areas in the County of San Diego's jurisdiction with the highest percentage of homes financed by subprime mortgage related loans, most foreclosure starts, or areas likely to face a significant rise in the rate of home foreclosures were identified based on HUD local data. Target areas with the greatest percentage of home foreclosures by community were identified by evaluating current local data from DataQuick Information Systems. The HUD data was overlaid on local foreclosure percentage data and, upon evaluating the two sources of data,

areas of greatest need for the distribution and use of NSP funds were identified. Targeted communities include: Campo, Spring Valley, Jacumba, Lemon Grove, Boulevard, Pine Valley, Ranchita, Guatay, Dulzura, Bonsall, Valley Center, Imperial Beach, Lakeside, Palomar Mountain, Pauma Valley, Ramona, Fallbrook, Bonita, Potrero, and Alpine.

The NSP funds will be used to provide assistance to low, moderate, and middle income (LMMI) homebuyers to purchase and rehabilitate foreclosed or abandoned properties in the identified target areas. Homebuyers that can demonstrate they will have the greatest chance for successful homeownership will be given priority for assistance. Potential homebuyers will be provided a list of the NSP targeted areas. Those properties ranked five (5) or above by the HUD local data and/or with a foreclosure rate of two (2) percent or above as reflected in the County of San Diego local data will be identified as the eligible areas for assistance.

If it is determined that there is likely to be an insufficient expenditure of NSP funds for homebuyer activities, a Notice of Funding Availability and/or Requests for Proposals will be issued for the acquisition, development, and rehabilitation of foreclosed residential properties in the target areas for the purpose of providing affordable rental housing for LMMI individuals and households or permanent housing for special needs populations. At least 25% of the NSP grant will be used to benefit low income households in the target areas.

C. DEFINITIONS AND DESCRIPTIONS

(1) DEFINITION OF BLIGHTED STRUCTURE

The State of California Health and Safety Code Section 33031 defines the physical conditions that cause blight to include a blighted structure that is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities. In addition, physical conditions that cause blight would include conditions that prevent or substantially hinder the viable use or capacity of building or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards. This section has definitions of a blighted area that are not outlined here because this definition applies to area conditions not related to the buildings themselves.

The San Diego County Redevelopment Agency uses the state legal definitions of blighted areas and the physical conditions that constitute blight.

(2) DEFINITION OF AFFORDABLE RENTS

The NSP definition of affordable rents is the same as the definition of affordable rents for the HOME Program. The NSP will use the HUD published schedule of affordable rents for the HOME program. This means that 65% HOME rents are established for households with incomes at or below 65% of the area median income, which are known as HIGH HOME rents, and incomes at or below 50% of the area median income, which are known as LOW HOME rents. Affordable rents will be determined by subtracting the family paid utilities from the applicable HOME rents.

The guidelines used for the determination of affordable rents under the HOME program are found in the following HUD guidebook: <http://www.hud.gov/offices/cpd/affordablehousing/training/materials/building/index.cfm>.

(3) CONTINUED AFFORDABILITY FOR NSP ASSISTED HOUSING

Downpayment/Closing Cost Assistance and Rehabilitation Program

The County of San Diego will require that all single family home purchases funded through the NSP Downpayment/Closing Cost Assistance and Rehabilitation (DCCAR) Program be occupied by the eligible LMMI homebuyer for a period of at least 15 years. If a property purchased with NSP assistance is not continually occupied by the borrower as his/her primary residence during the 15 years, at a minimum, the NSP funds must be repaid, or, if greater, an amount equal to the current fair market value of the property less the value attributable to the non-NSP portion of the acquisition and improvements to the property must be repaid, per a requirement established in the loan documents. Also, if the home is refinanced during the 15 year period, at a minimum, the NSP funds must be repaid, or, if greater, an amount equal to the current fair market value of the property less the value attributable to the non-NSP portion of the acquisition and improvements to the property must be repaid, per a requirement established in the loan documents. However, the borrower may refinance to a lower interest rate on the primary loan without requiring repayment as long as equity is not removed at the time of refinancing and lien position remains the same.

Rental Acquisition, Development, and Rehabilitation Program

Housing acquired, developed, or rehabilitated with NSP funds for the purpose of providing permanent housing for LMMI individuals or families must be maintained as affordable housing for a period of 15 years and, in the case of rental properties, restrictive covenants will be placed on the title of the properties, which will hold a superior position to all liens and encumbrances.

(4) HOUSING REHABILITATION STANDARDS THAT WILL APPLY TO NSP ASSISTED ACTIVITIES

The County of San Diego will use the housing rehabilitation standards applicable for housing rehabilitation under the HOME program as described in the program guide at:

<http://www.hud.gov/offices/cpd/affordablehousing/training/materials/building/index.cfm>. These standards are summarized as follows:

Local written rehabilitation standards and state and local code requirements will apply, or if no state and local code requirements, then the Uniform Building Code (UBC), the National Building Code (BOCA), the Standard Building Code (SBC), the Council of American Building Officials one or two family code (CABO), or the minimum property standards at 24 CFR 200.925 or 200.926 (FHA) will apply, as well as, handicapped accessibility requirements, where applicable.

The County of San Diego will target rehabilitation funds to improvements that will improve conservation and energy savings. All rehabilitation will be performed under the supervision of a licensed contractor in compliance with all local code requirements.

D. LOW INCOME TARGETING

The amount of the NSP funds targeted to low-income households will be no less than \$1,286,038, which is 25% of the total NSP allocation. The County of San Diego will issue a Notice of Funding Availability or Requests for Proposals for the acquisition, development and rehabilitation of foreclosed or abandoned housing for households with incomes at or below 50% of area median income to ensure this goal is met, in addition to providing funds through the DCCAR Program for homebuyers.

E. ACQUISITIONS & RELOCATION

The County of San Diego does not intend to demolish or convert low- and moderate income dwelling units with NSP funds.

F. PUBLIC COMMENT

A public hearing on the County of San Diego NSP was held before the County of San Diego Board of Supervisors on October 28, 2008. No public comments were received at that time.

The County of San Diego NSP Substantial Amendment was posted on the website of the County of San Diego, Department of Housing and Community Development on November 10, 2008 at www.sdhcd.org and advertisements were placed in the Union Tribune on November 8, 2008 and La Prensa Spanish language publication on November 7, 2008, notifying the public of the availability of the County of San Diego NSP Substantial Amendment for review and comment. As of November 24, 2008, the following public comments were received:

One public comment was received on November 20, 2008. This individual was positive about the plan and indicated further written comments would be submitted. There were also several inquiries about applying for NSP funds. No further written or verbal comments were received as of the close of the comment period.

NSP Downpayment/Closing Cost Assistance and Rehabilitation Program

(1) Activity Name: NSP Downpayment/Closing Cost Assistance and Rehabilitation Program

(2) Activity Type: This NSP activity provides funds for the purchase of abandoned or foreclosed homes in the targeted areas for low, moderate, or middle income households, as referenced in (A) and (B) of the chart located on page 58338 of the October 6, 2008 Federal Register. This is a CDBG eligible activity as outlined in 24 CFR 570.206 for an activity delivery cost and 24 CFR 570.201 (n) for direct homeownership assistance.

(3) National Objective: This activity will benefit low, moderate and middle income persons as defined in the NSP Notice, with at least 25% of the funds targeted to low income individuals or families.

(4) Activity Description: Priority for 25% of the funds will be given to individuals or households with incomes at or

below 50% of the area median income (AMI) as reflected by the most current HUD area median income information.

The NSP funds will be targeted to the areas of greatest need as identified previously. The first priority for assistance will be given to eligible homebuyers purchasing eligible single family foreclosed or abandoned residences within the targeted areas identified under Section A of this Substantial Amendment. The NSP DCCAR assistance will benefit income-qualified persons by allowing them to purchase homes that they may not otherwise qualify to purchase and to provide rehabilitation funds for conservation and energy savings improvements to these homes. This program, in which at least 65% of the NSP funds will be set aside, will allow eligible homebuyers with incomes up to 120% of the local area median income, as adjusted by household size, to purchase homes.

The NSP DCCAR loans are forgivable after 15 years, provided eligible homebuyers continue to occupy the homes as their primary residences, do not refinance for cash out purposes, and comply with all loan requirements. If a property is sold prior to the expiration of the affordability period of 15 years, at a minimum, the NSP funds must be repaid, or, if greater, an amount equal to the current fair market value of the property less the value attributable to the non-NSP portion of the acquisition and improvements to the property must be repaid, unless the home is sold to another LMMI household. Rehabilitation funds will be targeted to improvements that enhance conservation and energy efficiency.

(5) Location Description: The targeted locations have been identified under Section A of this Substantial Amendment. A more detailed definition of target areas by Census Tract Block groups was pulled from both the HUD local data and the DataQuick Information Systems data. This target area information is reflected in the map to be mailed to HUD with the certifications.

(6) Performance Measures: It is estimated that up to 70 units of housing will be acquired and/or rehabilitated through this activity assisting up to six households at 50% of area median income or below, at least 14 households at 51-80% of area median income and up to 50 households at 81-120% of area median income.

(7) Total NSP Budget: \$3,343,699

(8) Responsible Organization:
County of San Diego
Department of Housing and Community Development
3989 Ruffin Rd.
San Diego, CA 92123

Contact: Michael Dececchi, Chief, Community Development Division
Tel.: (858) 694-4802

(9) Projected Start Date: April 1, 2009 estimate based on projected award date

(10) Projected End Date: September 30, 2011 estimate based on projected award date

(11) Specific Activity Requirements:

Discount Rate: In order for the acquisition of a property to be eligible for NSP funds, the grantee will obtain documentation of carrying cost information for each individual property to justify a discount of no less than 10% for each individual property.

Range of Interest: This NSP activity will not require the payment of interest on the NSP funds. For non-NSP primary financing, the allowable interest rate must be in conformance with non-subprime loans for homeowner occupied single family residences and all loan terms must be approved by the grantee. The approved primary lenders must certify compliance with safe lending practices.

Duration or Term of Assistance: The tenure of beneficiaries for homeownership and rehabilitation assistance is at least 15 years because the loan documents will require that LMMI homebuyers reside in the NSP assisted residences for at least 15 years. If the eligible LMMI homebuyers fail to reside in their residences for at least 15 years, refinance their residences prior to the end of the 15-year period, or sell their residences to non-LMMI homebuyers, at a minimum, the NSP funds must be repaid, or, if greater, an amount equal to the current fair market value of the property less the value attributable to the non-NSP portion of the acquisition and improvements to the property must be repaid. The design of the activity will ensure continued affordability because the residence must be occupied by an eligible LMMI homeowner for at least 15 years.

NSP Affordable Housing Acquisition, Rehabilitation and Development Program

(1) Activity Name: NSP Affordable Housing Acquisition, Rehabilitation, and Development Program

(2) Activity Type: The NSP activity type is for the purchase, rehabilitation, and redevelopment of homes and residential properties as outlined on (B) of the chart located on page 58338 and (E) of the chart located on page 58338 of the October 6, 2008 Federal Register. The CDBG eligible activities are outlined in 24 CFR 570.206 for an activity delivery cost, and 24 CFR 570.201 (a), 570.202, 570.201 (c) and 570.201 (d).

(3) National Objective: The National Objective for this activity is to provide housing for households at or below 120% of the area median income.

(4) Activity Description: This activity will provide NSP funds to eligible non-profit agencies and developers to acquire, develop, and rehabilitate eligible foreclosed properties to provide long-term affordable housing for eligible individuals and families with priority for projects that benefit households with incomes at or below 50% of the area median income. It is expected that 0 to 25% of the NSP funds will be set aside for this activity depending on how successful the NSP Downpayment/Closing Cost Assistance and Rehabilitation Program is in providing at least 25% of the grant funding for housing assistance for eligible low income individuals and families.

All properties acquired under this activity with NSP funds will have restrictive covenants for a mandatory 15 year affordability period for the agreed upon project affordability levels. The funds will be issued as loans, but the loans will be forgiven after 15 years, providing all loan and program terms are complied with. The types of housing that will be provided through this activity are LMMI permanent rental housing. This activity may target or prioritize funding for permanent housing for special needs populations, such as persons with disabilities or the elderly.

The NSP funds under this activity will be targeted to the areas of greatest need as identified previously. This means that first priority for projects will be given to proposals for housing to be acquired within the highest priority target areas identified under Sections A of this Substantial Amendment. The NSP assistance will benefit income-qualified persons by providing affordable housing for LMMI individuals and families, and may provide permanent housing for persons with special needs.

(5) Location Description: The targeted locations have been identified under Section A, as well as identified in the map to be mailed to HUD with the certifications.

6. Performance Measures: It is estimated that these funds may provide between 8 to approximately 25 units of housing for up to approximately 25 individuals or families with incomes at or below 50% of the area median income, providing the NSP Downpayment/Closing Cost Assistance and Rehabilitation Program activity is unable to meet the minimum requirement for funding low-income individuals and families. It is anticipated that the majority of the 25 assisted individuals or families will have incomes at or below 50% of the area median income.

(7) Total NSP Budget: \$1,286,038

(8) Responsible Organization:
County of San Diego
Department of Housing and Community Development
3989 Ruffin Rd.
San Diego, CA 92123

Contact: Michael Dececchi, Chief, Community Development Division
Tel.: (858) 694-4802

This activity will be implemented as a second priority activity should the Downpayment/Closing Cost Assistance and Rehabilitation Program not meet expenditure and income targeting goals. The designated developers or non-profit organizations have not yet been identified. These organizations must successfully compete for NSP funds through a Notice of Funding Availability or Request for Proposals process to acquire, develop or rehabilitate foreclosed properties to provide housing for low-income individuals and households with special needs populations.

(9) Projected Start Date: April 1, 2009 estimated based on projected date of award

(10) Projected End Date: September 30, 2011 estimated based on projected date of award

(11) Specific Activity Requirements:

Discount Rate: In order for the acquisition of a property to be eligible for NSP funds, the grantee will review carrying

cost information for each individual acquired property and if warranted, require a lender discount of no less than 10% for each individual property. The carrying cost information will be documented in the grantee files.

Range of Interest: This NSP activity will not require the payment of interest on the NSP funds. The NSP funds will be provided as a loan that is forgivable after 15 years, providing all NSP loan terms are met.

Duration or Term of Assistance: The tenure of beneficiaries for affordable housing acquisition, rehabilitation, and development will be for at least 15 years. The design of the activity will ensure continued affordability because the properties acquired with NSP funds will hold restrictive covenants for 15-year affordability for low, mod, or middle income individuals or families as specified in the project loan documents.

NSP Administration

(1) Activity Name: NSP Administration

(2) Activity Type: NSP grant administration HERA Section 2301 (e) 2; CDBG grant administration 24 CFR 570.489(a)(i) is superseded by HERA.

(3) National Objective: Not required for administration.

(4) Activity Description: This activity is grant administration which includes, but is not limited to, the following administration activities:

Compliance monitoring (NSP requirement, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, affirmative marketing, etc.)

Environmental review for compliance with the National Environmental Policies Act (NEPA)

Contracting

Procurement (including issuing appropriate Requests for Proposals, Notices of Funding Opportunities, etc.)

Financial data collection, reporting, and tracking

Producing necessary reports

Data entry and reporting through DRGR

Providing technical assistance to activity sponsors

Ensuring public participation

(5) Location Description: The targeted locations have been identified under Section A, as well as identified in the map to be mailed.

6. Performance Measures: All activities will benefit LMMI households.

(7) Total NSP Budget: NSP allows for 10% of the grant allocation for administration (\$514,415) and 10% of program income (unknown at this time) to be used for grant administration.

(8) Responsible Organization:

County of San Diego

Department of Housing and Community Development

3989 Ruffin Rd.

San Diego, CA 92123

Contact: Michael Dececchi, Chief, Community Development Division

Tel.: (858) 694-4802

(9) Projected Start Date: April 1, 2009 estimated based on projected date of award.

(10) Projected End Date: September 30, 2011 estimated based on projected date of award

(11) Specific Activity Requirements:

Not applicable.

Overall

Total Projected Budget from All Sources

This Report Period

N/A

To Date

\$5,445,236.00

Total CDBG Program Funds Budgeted	N/A	\$5,144,152.00
Program Funds Drawdown	\$60,174.01	\$128,551.02
Obligated CDBG DR Funds	\$60,422.99	\$128,800.00
Expended CDBG DR Funds	\$259,396.59	\$332,100.09
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	\$50.00
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$771,622.80	\$0.00
Limit on Admin/Planning	\$514,415.20	\$107,155.09
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

County HCD's NSP1 Grant Agreement, totaling \$5,144,152, was approved by HUD on March 3, 2009. During the reporting period of July 1, 2009 to September 30, 2009, a total of \$60,174.01 was drawn in DRGR. These expenditures reflect County HCD's NSP1 administrative activities (\$10,174.01) and one homeownership assistance unit (\$50,000). In addition, one NSP1 Rental NOFA activity closed on September 10, 2009. However, funds for this activity were drawn after the close of this reporting period. Three additional NSP1 Rental NOFA activities have been submitted for funding consideration and were undergoing review during the reporting period. A substantial amendment was submitted on September 14, 2009 which changed the Homeownership Assistance activity budget to \$1,000,000 and the NSP Rental NOFA activity budget to \$3,629,737. Outreach efforts took place during the reporting period, including a community presentation to the community of Spring Valley. Since release of the Bridge Notice in June 2009, County HCD has made significant progress in identifying eligible NSP1 Rental NOFA activities. Until issuance of the Bridge notice in June, lowering the discount from 15% to 1%, the program was virtually unusable. This issue, combined with the uncertainty surrounding the interpretation of the NSP regulations, the unwillingness of lenders to release their inventories for sale, and the competition of cash investors, has resulted in a delay in program progress. However, the program is now building momentum and of the outstanding NSP1 Rental NOFA activities that have been submitted for funding consideration, we expect to report two more closings next quarter, if not more. County HCD anticipates obligating the majority of, if not all, NSP1 funds by the 18 month deadline. However, final obligation and expenditure will depend largely on market conditions that affect applicant interest in the program from both the homebuyer and developer sides of the program. No NSP1 program modifications are under consideration at this time.

Project Summary

Project #, Project Title

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	\$60,174.01	\$5,144,152.00	\$128,551.02

Activities

Grantee Activity Number: 1

Activity Title: 1

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

BCKT

Projected Start Date:

04/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

09/30/2011

Responsible Organization:

County of San Diego

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,000,000.00
Program Funds Drawdown	\$50,000.00	\$50,000.00
Obligated CDBG DR Funds	\$50,000.00	\$50,000.00
Expended CDBG DR Funds	\$50,000.00	\$50,000.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The NSP funds for this activity will be targeted to the areas of greatest need as identified by local and HUD data. The first priority for assistance will be given to eligible homebuyers purchasing eligible single family foreclosed or abandoned residences within the targeted areas identified under Section A of this Substantial Amendment. The NSP DCCAR assistance will benefit income-qualified persons by allowing them to purchase homes that they may not otherwise qualify to purchase and to provide rehabilitation funds for conservation and energy savings improvements to these homes. This program, in which at least 65% of the NSP funds will be set aside, will allow eligible homebuyers with incomes up to 120% of the local area median income, as adjusted by household size, to purchase homes. The NSP DCCAR loans are forgivable after 15 years, provided eligible homebuyers continue to occupy the homes as their primary residences, do not refinance for "cash out" purposes, and comply with all loan requirements. If a property is sold prior to the expiration of the affordability period of 15 years, at a minimum, the NSP funds must be repaid, or, if greater, an amount equal to the current fair market value of the property less the value attributable to the non-NSP portion of the acquisition and improvements to the property must be repaid, unless the home is sold to another LMMI household. Rehabilitation funds will be targeted to improvements that enhance conservation and energy efficiency.

Location Description:

Target areas in the unincorporated areas of San Diego County and the six CDBG participating cities of Del Mar, Solana Beach, Lemon Grove, Imperial Beach, Poway, and Coronado. These target areas are based on HUD local data and local foreclosure data compiled by DataQuick

Activity Progress Narrative:

Under Activity #1, one homeownership assistance activity located at 1363 Hemlock Avenue in the City of Imperial Beach closed during the reporting period on August 3, 2009. NSP1 outreach efforts continued to take place during the reporting period, including a presentation to the community planning group members in Spring Valley. County HCD is hopeful that additional eligible homeownership properties can be funded, although finding eligible properties at a minimum one percent discount continues to be a challenge.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of housing units	0	0	1	0/0	0/0	1/70
# of Households benefitting	0	1	1	0/0	1/70	1/70

Activity Locations

Address	City	State	Zip
1363 Hemlock Avenue	Imperial Beach	NA	91932

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: 2-00-NOFA Rental

Activity Title: 2-00-NOFA Rental

Activity Category:

Acquisition - general

Project Number:

BCKT

Projected Start Date:

04/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

09/30/2011

Responsible Organization:

County of San Diego

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$3,328,653.00
Total CDBG Program Funds Budgeted	N/A	\$3,328,653.00
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 will provide NSP funds to eligible non-profit agencies and developers to acquire, develop, and rehabilitate eligible foreclosed properties to provide long-term affordable housing for eligible individuals and families with priority for projects that benefit households with incomes at or below 50% of the area median income. It is expected that up to \$3,629,737 0 of the NSP funds will be set aside for NOFA Rental activities. All properties acquired under this activity with NSP funds will have restrictive covenants for a mandatory 15 year affordability period for the agreed upon project affordability levels. The funds will be issued as loans, but the loans will be forgiven after 15 years, providing all loan and program terms are complied with. The types of housing that will be provided through this activity are LMMI permanent rental housing. This activity may target or prioritize funding for permanent housing for special needs populations, such as persons with disabilities or the elderly. The NSP funds under this activity will be targeted to the areas of greatest need as identified previously. This means that first priority for projects will be given to proposals for housing to be acquired within the highest priority target areas identified under Sections A of this Substantial Amendment. The NSP assistance will benefit income-qualified persons by providing affordable housing for LMMI individuals and families, and may provide permanent housing for persons with special needs.

This activity 2-NOFA Rental includes single unit rental acquisition/rehabilitation properties. These single unit property locations will be reported under this activity 2-NOFA Rental on the quarterly performance reports. Each multi-family NOFA Rental acquisition/rehabilitation activity will be set-up in DRGR under a unique activity number.

Location Description:

Targeted areas of Unincorporated San Diego County and the cities of Coronado, Del Mar, Solana Beach, Lemon Grove, Imperial Beach, and Poway as identified in the HUD local area data and local data compiled by DataQuick Information Systems.

Activity Progress Narrative:

Under Activity #2, County HCD has an NSP1 Notice of Funding Availability (NOFA) in order to assist non-profit organizations or other affordable housing developers with the acquisition, rehabilitation, and development of eligible foreclosed or abandoned properties in the target areas to provide permanent affordable rental housing for San Diego's low income individuals or families with incomes at or below 50 percent of the area median income. All NSP1 Rental NOFA funds have been set-aside under this activity bucket. Individual NSP1 Rental NOFA activities are set-up in DRGR once funding has been approved. One NSP1 Rental NOFA activity closed on September 10, 2009. This activity has been funded in DRGR as activity 2-01-101363-Dougherty-ACQ and activity 2-01-1013636-Dougherty-REH. A portion of these funds for this activity were drawn after the close of this reporting period and will be reflected next quarter. Three additional NSP1 Rental NOFA activities have been submitted for funding consideration and were undergoing review during the reporting period. County HCD will report on the status of these pending NSP1 Rental NOFA activities during the next reporting period (October 1, 2009 to December

31, 2009).

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	0/23
# of Households benefitting	0	0	0	0/23	0/0	0/23

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: 2-01-1013636-DOUGHERTY-ACQ

Activity Title: 2-01-1013636-DOUGHERTY-ACQ

Activity Category:

Acquisition - general

Project Number:

BCKT

Projected Start Date:

09/03/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Bucket Project

Projected End Date:

09/10/2009

Responsible Organization:

North County Solutions for Change, Inc.

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$349,890.00
Total CDBG Program Funds Budgeted	N/A	\$174,945.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$174,945.00	\$174,945.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The acquisition and rehabilitation of the project is to be financed by a loan not to exceed \$301,084. Of this amount, \$174,945 will be used for acquisition of the property and up to \$126,139 will be disbursed on a claim reimbursement basis for rehabilitation expenditures. The project will acquire and rehabilitate two single family rental units located at 233-235 East Dougherty St, Fallbrook, CA 92028, as an affordable rental housing project to be rented and occupied by low-income households at or below 50% of the Area Median Income (AMI).

One three-bedroom unit and one one-bedroom unit, shall be designated as the Affordable Units and shall be occupied by very low-income households whose gross annual incomes, at the time of initial occupancy, do not exceed fifty percent (50%) of the Area Median Income (AMI) for San Diego County, California.

NSP Activity 2-01-1013636-DOUGHERTY-REH supplements this activity up to \$126,139.

Location Description:

233-235 East Dougherty St, Fallbrook, CA 92028

Activity Progress Narrative:

This NSP1 Rental NOFA activity, totaling \$301,084, closed loan documents on September 10, 2009. This activity funds one three-bedroom unit and one one-bedroom unit for low-income households (at or below 50% AMI).

This activity has been funded in DRGR as activity 2-01-1013636-Dougherty-ACQ (\$174,945) for the acquisition portion and activity 2-01-1013636-Dougherty-REH (\$126,139) for the rehabilitation portion. The acquisition portion of these funds (\$174,945) were incurred during the reporting period, but drawn after the close of this reporting period and will be reflected next quarter. The rehabilitation portion (\$126,139) will be disbursed on a claim reimbursement basis.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of housing units	0	0	2	0/0	0/0	2/2
--------------------	---	---	---	-----	-----	-----

Activity Locations

Address	City	State	Zip
233-235 East Dougherty Street	Fallbrook	NA	92028

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
CDBG Neighborhood Stabilization Program	\$174,945.00
Total Other Funding Sources	\$174,945.00

Grantee Activity Number: 2-01-1013636-DOUGHERTY-REH

Activity Title: 2-01-1013636-DOUGHERTY-REH

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

09/03/2009

Projected End Date:

10/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

North County Solutions for Change, Inc.

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$252,278.00
Total CDBG Program Funds Budgeted	N/A	\$126,139.00
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:

The acquisition and rehabilitation of the project is to be financed by a loan not to exceed \$301,084. Of this amount, \$174,945 will be used for acquisition of the property and up to \$126,139 will be disbursed on a claim reimbursement basis for rehabilitation expenditures. The project will acquire and rehabilitate two single family rental units located at 233-235 East Dougherty St, Fallbrook, CA 92028, as an affordable rental housing project to be rented and occupied by low-income households at or below 50% of the Area Median Income (AMI).

One three-bedroom unit and one one-bedroom unit, shall be designated as the Affordable Units and shall be occupied by very low-income households whose gross annual incomes, at the time of initial occupancy, do not exceed fifty percent (50%) of the Area Median Income (AMI) for San Diego County, California.

NSP Activity 2-01-1013636-DOUGHERTY-ACQ supplements this activity up to \$174,945.

Location Description:

233-235 East Dougherty St, Fallbrook, CA 92028

Activity Progress Narrative:

This NSP1 Rental NOFA activity, totaling \$301,084, closed loan documents on September 10, 2009. This activity funds one three-bedroom unit and one one-bedroom unit for low-income households (at or below 50% AMI).

This activity has been funded in DRGR as activity 2-01-1013636-Dougherty-ACQ (\$174,945) for the acquisition portion and activity 2-01-1013636-Dougherty-REH (\$126,139) for the rehabilitation portion. The acquisition portion of these funds (\$174,945) were drawn after the close of this reporting period and will be reflected next quarter. The rehabilitation portion (\$126,139) will be disbursed on a claim reimbursement basis.

Performance Measures

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

Activity Locations

Address	City	State	Zip
233-235 East Dougherty Street	Fallbrook	NA	92028

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
CDBG Neighborhood Stabilization Program	\$126,139.00
Total Other Funding Sources	\$126,139.00

Grantee Activity Number: 3

Activity Title: 3

Activity Category:

Administration

Project Number:

BCKT

Projected Start Date:

04/01/2009

National Objective:

N/A

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

09/30/2011

Responsible Organization:

County of San Diego

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$514,415.00
Total CDBG Program Funds Budgeted	N/A	\$514,415.00
Program Funds Drawdown	\$10,174.01	\$78,551.02
Obligated CDBG DR Funds	\$10,422.99	\$78,800.00
Expended CDBG DR Funds	\$34,451.59	\$107,155.09
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 grant administration which includes, but is not limited to, the following administration activities: Compliance monitoring (NSP requirement, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, affirmative marketing, etc.); Environmental review for compliance with the National Environmental Policies Act (NEPA); Contracting; Procurement (including issuing appropriate Requests for Proposals, Notices of Funding Opportunities, etc.); Financial data collection, reporting, and tracking; Producing necessary reports; Data entry and reporting through DRGR; Providing technical assistance to activity sponsors; and, ensuring public participation.

Location Description:

Administration for the NSP program for the target areas of unincorporated San Diego County and the cities of Coronado, Solana Beach, Del Mar, Poway, Imperial Beach, and Lemon Grove.

Activity Progress Narrative:

Several NSP1 administrative activities took place during the reporting period of July 1, 2009 to September 30, 2009, including a community outreach presentation, attendance at NSP1 training courses, DRGR data entry, providing technical assistance to potential applicants and review of NSP applications, preparation of environmental reviews, preparation and processing of activity documents, and NSP1 financial tracking and reporting.

NSP1 administrative activities resulted in total expenditures of \$34,451.59 during this quarter. Although total expenditures for the reporting period are \$34,451.59, the second quarter drawdowns in DRGR total \$10,174.01. The \$10,174.01 reflects drawdowns of \$192.46 (7/22/09), \$4,134.03 (7/6/09) and \$5,847.52 (8/27/09). The \$192.46 and \$4,134.03 were costs incurred during the first quarter reporting period (April 1, 2009 to June 30, 2009), but were drawn during the second quarter. The \$34,451.59 reflects the 8/27/09 \$5,847.52 draw and two draws that were for costs incurred during the second quarter reporting period, but were drawn after the close of the quarter (\$10,016.62 on 10/1/09 and \$18,587.45 on 10/21/09). These two draws will show on the third quarterly performance report (October 1, 2009 to December 31, 2009).

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
