

Grantee: Shelby County, TN

Grant: B-08-UN-47-0001

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-UN-47-0001

Obligation Date:**Grantee Name:**

Shelby County, TN

Award Date:**Grant Amount:**

\$2,752,708.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:

The Neighborhood Stabilization Program (NSP) is authorized by the Housing and Economic Recovery Act of 2008 (HERA). NSP provides funding to states and local governments for use in stabilizing neighborhoods through the purchase of tax foreclosed properties in target areas. Shelby County, Tennessee was awarded \$2,752,708 in NSP funds of which 10% (\$275,270.00) may be used for program administration and 25% (\$688,177.00) will be used to provide affordable housing for households with income less than 50% of the area median income level. After analysis of the data available on foreclosures in the Shelby County community, Shelby County government through its amendment to the local action plan determined that it would primarily spend these funds in zip code 38127 which includes the neighborhood/community of Frasier.

Recovery Needs:

The NSP funds will be used to meet needs associated with the high number of foreclosures, subprime loans, and potential foreclosures that will potentially result from the housing mortgage crises. These needs will include the purchase of vacant foreclosed upon properties and the rehabilitation for sale and/or demolition of the property for reuse as affordable housing within the community. These needs include the purchase of available units, appraisals and design specification on the units, rehabilitation activities, marketing and sales activities, homebuyer counseling for buyer and/or renters as well as securing mortgages on the homes purchased under NSP. Upon completion of the NSP recovery activities, Shelby County anticipates that approximately 37 affordable housing units will be placed back on the market within the 38127 Zip Code/Frasier Community. Under the NSP Application, Shelby County will utilize the following funding and categories to meet the needs associated with successfully carrying out identified NSP needs:

Property Acquisition: \$1,136,577.00
 Rehabilitation Activities: \$ 866,055.00
 Demolition (if necessary) \$ 17,500.00
 Counseling Activities: \$ 44,400.00
 Program Delivery Activities: \$ 412,906.00
 Administration & Planning: \$ 275,270.00
 TOTAL NEEDED FOR EFFORTS: \$2,752,708.00

Overall**This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$2,752,708.00

Total CDBG Program Funds Budgeted

N/A

\$2,752,708.00

Program Funds Drawdown

\$13,099.51

\$13,099.51

Obligated CDBG DR Funds

\$13,099.51

\$13,099.51

Expended CDBG DR Funds	\$30,062.54	\$43,162.05
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	\$412,906.20	\$0.00
Limit on Admin/Planning	\$275,270.80	\$29,750.19
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

Quarterly Report: July 1- Sept. 31, 2009

Submitting Agency:
Shelby County Government
Shelby County, Tennessee
Department of Housing
1075 Mullins Station Rd.
Memphis, TN 38134

Submitted By:
Mario Moton
NSP Coordinator
Phone: (901) 379-7114
Fax: (901) 379-7129

Program Overview:

Shelby County Government has targeted its NSP1 allocation to the 38127 zip code within Shelby County, Tennessee. Under the NSP1 program, 37 vacant foreclosed properties in the 38127 zip code will provide affordable housing for sale or rent to 37 low-, middle-, and moderate income (LMMI) households. It is also anticipated that at least 10 of the 37 total units will be made available to households earning less than 50% of area median income.

Accomplishments:

During the second Quarter of the Shelby County NSP1 Grant Program, the Shelby County Department of Housing (SCDH) has carried out the following Activities:

1. Appraisal Contracts were routed to Birch Tree Appraisals and signed. (July 31, 2009)
2. Met with the four non-profit CHDO's to discuss policies and procedures regarding NSP and had them to sign their portion of the MOU. (Aug. 4, 2009)
3. First NSP unit was inspected by the Housing Inspector Charlie Pourdou. The property address is 1111 Rand Ave. (Aug. 5, 2009).

4. Appraisal contracts were routed downtown to be signed by Shelby County Mayor. (Aug. 6, 2009)
5. Received first appraisal back for 1111 Rand Ave. (Aug. 24, 2009).
6. Finalized Developer's Agreements and other closing documents with the County Attorney.
7. As of the end of this reporting quarter 9 appraisals have been completed and payments have been made to Bich Tree Appraisals. More appraisals are forthcoming in the next quarter. The completed appraisals are below:
 - . 111 Rand Ave. - \$200.00
 - . 1921 Corning Ave. - \$200.00
 - . 1741 Gregory Dr. - \$350.00
 - . 2013 Pamela Dr. - \$350.00
 - . 2016 Pamela Dr. - \$200.00
 - . 2521 Nunelee Ave. - \$350.00
 - . 3910 Aqua Cv. - \$200.00
 - . 3741 Fieldbrook Dr. - \$200.00
 - . 3134 Chandler St. - \$200.00
8. To date United Housing has purchased two properties within the 38127 zip code; 2013 Pamela Dr. for \$47,173.00 and 2016 Pamela Dr. for \$13,000.00 and have been given clearance by SCDH to purchase another. They have also identified the following properties as potential candidates for the program once they meet all NSP requirements and will clear during the next quarter:
 - . *2058 Pamela - \$65,160.00
 - . 3901 Ridgedale - Total price unknown at this time
 - . 3914 Ridgedale - Total Price unknown at this time
 - . 3566 Brookmeade - Total price unknown at this time
 - . *3691 Mountain Terrace - \$46,680.00

* These funds have not cleared Shelby finance reports at this time and will be reflected and drawn down during the next quarter.
9. Each of the non profits have setup their own separate NSP accounts and developed their own or adapted our policies and procedures to run their NSP program.
10. Frayser CDC has also purchased a property within the 38127 zip code; 1111 Rand Ave. for \$17,154.39 and has been cleared by SCDH to purchase another. They have secure contracts to purchase the following properties as well that will clear during the next quarter.
 - . *2676 W. Skyline Cr. - \$61,773.04
 - . 1847 Driftwood - Total cost not known at this time

*These funds have not cleared Shelby finance reports at this time and will be reflected and drawn down during the next quarter.
11. Each non-profit will develop an acquisition, rehabilitation, and occupancy plan to be applied to each purchased unit under the NSP program.
12. New Chicago has currently accepted two offers for properties in the 38127 zip code and is awaiting a closing date. They also have several pre-purchase inspections scheduled with the SCDH. Orange Mound CDC has been unsuccessful thus far in having bids accepted on the following properties.
 - . 3741 Fieldbrook
 - . 1741 Gregory
 - . 4148 Argonne
13. Twenty (20) inspections have been made during this quarter and were approved by the NSP inspector and six (6) were made that have been rejected. SCDH has also performed several Risk assessments and have done lead-based paint tests on eligible NSP units and have reported the results to the local Non-Profit Developers and also kept a copy on file in the office.
14. During this reporting period, SCDH has expended \$30,062.54 on NSP activities. These have been drawn down

and reported in DRGR. Additionally \$79,227.39 has been utilized to purchase and appraise NSP units and will be drawn once the expenses hit Shelby County's financial reports.

GOALS FOR NEXT QUARTER (October 1 - December 31, 2009)

During the next quarter, the SCHD expects to:

- Begin rehab on eligible NSP units that are currently being closed on
- Drawdown more funds for pending acquisition and rehab activities
- Drawdown more funds for Administration and Appraisal activities
- Close on at least five NSP eligible properties
- Identify at least 8 more eligible properties
- Approve first rehab contractor for NSP units
- Attend more HUD and community development training

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
0001, Admin/Planning	\$0.00	\$7,991.77	\$275,270.00	\$7,991.77
0002, Acquisition of Property	\$0.00	\$0.00	\$1,136,577.00	\$0.00
0003, Rehabilitation of Properties	\$0.00	\$0.00	\$866,055.00	\$0.00
0004, Demolition	\$0.00	\$0.00	\$17,500.00	\$0.00
0005, Counseling	\$0.00	\$0.00	\$44,400.00	\$0.00
0006, Program Delivery	\$0.00	\$5,107.74	\$412,906.00	\$5,107.74
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	0001-Administration
Activity Title:	NSP Administration and Planning Costs

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

0001

Project Title:

Admin/Planning

Projected Start Date:

10/01/2008

Projected End Date:

06/30/2013

National Objective:

N/A

Responsible Organization:

Shelby County Government

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$275,270.00
Total CDBG Program Funds Budgeted	N/A	\$275,270.00
Program Funds Drawdown	\$7,991.77	\$7,991.77
Obligated CDBG DR Funds	\$7,991.77	\$7,991.77
Expended CDBG DR Funds	\$16,650.68	\$29,750.19
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 funds necessary for Shelby County's Department of Housing to manage and administer the NSP program through daily oversight of NSP, planning associated with the program, general management of activities, completion of quarterly performance reports, etc.

Location Description:

Shelby County Department of Housing, 1075 Mullins Station Road, Memphis, Tennessee 3813. The actual administration and planning of the NSP program and all associated oversight will be carried out at the above location.

Activity Progress Narrative:

During the second Quarter of the Shelby County NSP1 Grant Program, the Shelby County Department of Housing (SCDH) has carried out the following Activities:

- 1.) Met with the four non-profit CHDO's to discuss policies and procedures regarding NSP and had them to sign their portion of the MOU. (Aug. 4, 2009)
 - 2.) Finalized Developer's Agreements and other closing documents with County attorney.
 - 3.) Each of the non - profits have setup their own separate NSP accounts and developed their own or adapted our policies and procedures to run their NSP program.
 - 4.) To date United Housing has purchased two properties within the 38127 zip code; 2013 Pamela Dr. for \$47,173.00 and 2016 Pamela Dr. for \$13,000.00 and have been given clearance by SCDH to purchase another. They have also identified the following properties as potential candidates for the program once they meet all NSP requirements and will clear during the next quarter:
 - *2058 Pamela - \$65,160.00
 - 3901 Ridgedale - Total price unknown at this time
 - 3914 Ridgedale - Total Price unknown at this time
 - 3566 Brookmeade - Total price unknown at this time
 - *3691 Mountain Terrace - \$46,680.00
- * These funds have not cleared Shelby finance reports at this time and will be reflected and drawn down during the next quarter.

- 5.) Each of the non &ndash profits have setup their own separate NSP accounts and developed their own or adapted our policies and procedures to run their NSP program.
- 6.) Frayser CDC has also purchased a property within the 38127 zip code; 1111 Rand Ave. for \$17,154.39 and has been cleared by SCDH to purchase another. They have secure contracts to purchase the following properties as well that will clear during the next quarter.
- *2676 W. Skyline Cr. - \$61,773.04
 - 1847 Driftwood - Total cost not known at this time
- *These funds have not cleared Shelby finance reports at this time and will be reflected and drawn down during the next quarter.
- 7.) Each non-profit will develop an acquisition, rehabilitation, and occupancy plan to be applied to each purchased unit under the NSP program.
- 8.) New Chicago has currently accepted two offers for properties in the 38127 zip code and is awaiting a closing date. They also have several pre-purchase inspections scheduled with the SCDH. Orange Mound CDC has been unsuccessful thus far in having bids accepted on the following properties.
- 3741 Fieldbrook
 - 1741 Gregory
 - 4148 Argonne
- 9.) During this reporting period, SCDH has expended \$30,062.54 on NSP activities. These have been drawn down and reported in DRGR. Additionally \$79,227.39 has been utilized to purchase and appraise NSP units and will be drawn once the expenses hit Shelby County&rsquo financial reports.

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
Neighborhood Stablization Program	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number:	0002.1-Low income acquisition - United Housing
Activity Title:	Acquisition for Low Income

Activity Category:

Acquisition - general

Project Number:

0002

Projected Start Date:

05/30/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition of Property

Projected End Date:

06/30/2013

Responsible Organization:

Shelby County Government

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$99,750.00
Total CDBG Program Funds Budgeted	N/A	\$99,750.00
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 areas of greatest need this activity addresses include home foreclosures and areas at risk for significant rise in the rate of home foreclosures. This activity is expected to benefit qualified low income persons by acquiring and rehabilitating vacant foreclosed properties to be used in the rehabilitation or construction of housing to be made available to Low Income Households and will meet the 25% NSP setaside. SCDH will not use eminent domain to implement this activity. While SCDH will be responsible for implementing this activity, SCDH will also issue requests for proposals to identify partners with the capacity to assist with this activity, in addition to subsequent activities associated with making these available to income eligible beneficiaries. All properties will be held by non-profit partners and will not be held by the Department of Housing. Tenure of beneficiaries for this activity and duration of terms of assistance will vary depending upon market conditions and effective homebuyer demand. If sale of a unit acquired under this activity is not practical, lease/purchase or rent of the unit may result. The duration or term of the assistance under this activity will also vary depending upon market conditions and effective homebuyer demand. This activity will implement all activities by non-profit partner United Housing Inc.

Location Description:

This activity will be targeted to the 38127 zip code in Shelby County, Tennessee Additionally, Shelby county reserves the right to award NSP funds within communities that may not be in the area of greatest need if it is determined that the community/neighborhood will be significantly negatively impacted if NSP funds are not used to immediately stabilize a specific geographic area or neighborhood when vacancies occur in a currently stable community.

Activity Progress Narrative:

The properties listed have been closed on and funds have not cleared Shelby County's finance reports as of yet and will be reported during the next quarter.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	3	0/0	0/0	3/3
# of housing units	0	0	3	0/0	0/0	3/3

# of Households benefitting	0	0	0	0/3	0/0	0/3
Total acquisition compensation to	0	0	0	0/0	0/0	0/3

Activity Locations

Address	City	State	Zip
2013 Pamela	Memphis	NA	38127
1111 Rand	Memphis	NA	38127
2016 Pamela	Memphis	NA	38127

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$0.00
Total Other Funding Sources	\$0.00

Grantee Activity Number:	0006-Program Delivery
Activity Title:	NSP Program Delivery Costs

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

0006

Project Title:

Program Delivery

Projected Start Date:

10/01/2008

Projected End Date:

06/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Shelby County Government

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$362,906.00
Total CDBG Program Funds Budgeted	N/A	\$362,906.00
Program Funds Drawdown	\$5,107.74	\$5,107.74
Obligated CDBG DR Funds	\$5,107.74	\$5,107.74
Expended CDBG DR Funds	\$13,411.86	\$13,411.86
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The areas of greatest need this activity addresses include home foreclosures and areas at risk for significant rise in the rate of home foreclosures. This activity will provide funds necessary for SCDH to implement the NSP activities and includes, but is not limited to, property inspections, development of lead hazard reduction and rehabilitation work specifications, lead-based paint risk assessments, monitoring construction and rehabilitation activity, and other such costs typically associated with construction and rehabilitation of housing.

Location Description:

This activity will be targeted specifically to NSP assisted units in the 38127 zip code. Additionally, SCDH reserves the right to award NSP funds to communities that may not be in the areas of greatest need if it is determined that the community will be significantly negatively impacted if NSP funds are not use to immediately stabilize a specific geographic area or neighborhood.

Activity Progress Narrative:

SCDH has made the following progress in program delivery:

- 1.) Appraisal Contracts were routed to Birch Tree Appraisals and signed. (July 31, 2009)
- 2.) First NSP unit was inspected by the Housing Inspector Charlie Pourdon. The property address is 1111 Rand Ave. (Aug. 5, 2009).
- 3.) Received first appraisal back for 1111 Rand Ave. (Aug. 24, 2009).
- 4.) As of the end of this reporting quarter 9 appraisals have been completed and payments have been made to Birch Tree Appraisals. More appraisals are forthcoming in the next quarter. The completed appraisals are below:
 - 111 Rand Ave. - \$200.00
 - 1921 Corning Ave. - \$200.00
 - 1741 Gregory Dr. - \$350.00
 - 2013 Pamela Dr. - \$350.00
 - 2016 Pamela Dr. - \$200.00
 - 2521 Nunelee Ave. &ndash \$350.00
 - 3910 Aqua Cv. - \$200.00
 - 3741 Fieldbrook Dr. - \$200.00
 - 3134 Chandler St. - \$200.00
- 5.) Twenty (20) inspections have been made during this quarter and were approved by the NSP inspector and six (6) were made that have been rejected. SCDH have also performed several Lead inspections on eligible NSP units and have reported

the results to the local Non-Profit Developers and also kept a copy on file in the office.

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	0/36
# of Households benefitting	0	0	0	0/10	0/26	0/36

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$0.00
Total Other Funding Sources	\$0.00
