

**Grantee: San Joaquin County, CA**

**Grant: B-08-UN-06-0005**

**July 1, 2009 thru September 30, 2009 Performance Report**

**Grant Number:**

B-08-UN-06-0005

**Obligation Date:****Grantee Name:**

San Joaquin County, CA

**Award Date:****Grant Amount:**

\$9,030,385.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**Submitted By:**

No Submitter Found

## Disasters:

### Declaration Number

NSP

## Plan Description:

San Joaquin County is located in the central valley region of California, an area that experienced a considerable amount of residential growth and property value appreciation in the late 1990s through 2005. Because of this, the Stockton/San Joaquin County area has been significantly impacted by the current foreclosure crisis. Available data indicates that the San Joaquin County area has the highest rate nationally of foreclosures per housing unit. In determining areas of greatest need, HUD requires that the San Joaquin County Urban County entitlement jurisdictions (unincorporated San Joaquin County and the cities of Escalon, Lathrop, Lodi, Manteca, Ripon and Tracy) identify areas with a high percentage of subprime or high cost mortgages, high rate of foreclosures, and at risk of further decline through foreclosures or abandonment. San Joaquin County has been tracking and mapping foreclosures in the county since January 2007. This data along with HUD provided estimates of foreclosure risk data, and loan origination data was used to determine the areas of greatest need for Neighborhood Stabilization Program (NSP) funding within San Joaquin County. The following census tract block groups have been identified by the County and Urban County jurisdictions, as the priority areas of the greatest need. A map of these identified Areas of Greatest Need is attached as Exhibit A. The County will initially start utilizing NSP funding in these census tract block groups, then move into other areas identified with a high percentage of home foreclosures, if funding is available. JURISDICTION CENSUS TRACT AND BLOCK GROUP(S) DISTRICT RISK INDEX

UNINCORPORATED COUNTY Garden Acres CT: 27.01 BG: 1-4 2 8 CT: 27.02 BG: 1-3 2 9 Gianone Park CT: 17.00 BG: 1-3 1 9 Country Club CT: 10.00 BG: 1 3 9 CT: 11.02 BG: 1, 3, 4 1 10 Boggs Tract CT: 8.00 BG: 1 1 10 CITY OF ESCALON CT: 49.01 BG: 2 4 8 CITY OF LATHROP CT: 51.27 BG: 1-2 3 8 CITY OF LODI CT: 42.03 BG: 2-3 4 9 CT: 44.02 BG: 1-2 4 9 CT: 45.00 BG: 1-4 4 9 CITY OF MANTECA CT: 51.08 BG: 1-3 3 9 CT: 51.09 BG: 1-4 3 8 CITY OF RIPON CT: 50.01 BG: 2 5 7 CITY OF TRACY CT: 53.02 BG: 2 5 8 CT: 53.03 BG: 1-5 5 10 CT: 53.05 BG: 1-2 5 9 CT: 54.04 BG: 1-4 5 9 The County will target all of the NSP activities in these high priority areas. However, activities may occur outside these high-priority areas if an opportunity arises or the implementation schedule dictates expanding the program to other areas with a concentration of foreclosures.

## Recovery Needs:

San Joaquin County will prioritize the use of NSP funding by targeting its activities in the areas identified as high priority areas. However, activities may occur outside these high-priority areas if an opportunity arises or the implementation schedule dictates expanding the program to other areas with a concentration of foreclosures. NSP funding has been allocated to each participating jurisdiction based primarily on the proportion of overall foreclosures in San Joaquin County, by jurisdiction. NSP funding allocation is proposed as follows:

1. Acquisition/Rehabilitation/Resale of Foreclosed Residential Properties (\$5,669,751). The Urban County will focus its acquisition, rehabilitation, and resale on housing units in the census tract block groups identified as priority areas with the greatest need. The design of this activity is to provide income eligible households at or above 51% to 120% of Area Median Income. Initial acquisition of properties will average at least 15% below a current appraised value. The sales price will be no greater than the total investment by the Urban County jurisdictions (including acquisition, rehabilitation and associated program delivery costs).

The property will have deed restrictions recorded against it throughout the 30-year affordability period. Shared

appreciation shall be included in loan repayment, if before 30 years. Shared appreciation is a percentage of the difference between the original purchase price of the real property and the price at which it is sold. The shared appreciation percentage is calculated by dividing the amount of the home loan by the original purchase price of the real property. In cases where transfer of the real property to another party by means other than sale (with exception of a creditor taking title or interest therein), the appreciation is the difference between the original purchase price and the appraised value of the real property at the time of transfer.

2. Acquisition/Rehabilitation/Rental of Foreclosed Residential Properties. San Joaquin County will set-aside at least \$2,257,597 (25% of the Countys NSP allocation) available for purchase, redevelopment of foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of the areas median income. Programs to meet this goal may include single family rental housing, multi-family rental housing or congregate housing for special needs populations.

3. Acquisition/Demolition of Blighted Structures/Redevelopment (\$200,000). This activity is for acquisition/demolition/redevelopment of vacant, foreclosed single family properties that would require more funds to rehabilitate than to demolish and rebuild. If the properties are determined to be demolished, they will then be made available to a non-profit housing provider to plan the redevelopment of the property as soon as feasible. Redevelopment may include sale of the property at current fair market value, or below current fair market value, or partnership with the non-profit agency.

4. Administration (\$903,038). A maximum of 10% of NSP funds will be used to cover costs associated with program planning, implementation, and administration. It is anticipated that actual costs will be less than the maximum allowed. The remainder will be transferred to other NSP activities.

**NSP Allocation**

\$2,257,596 &#8804;50% AMI Set-Aside  
 UC Total: \$5,869,750 Net Allocation  
 Escalon 66 1.12% \$65,762 Escalon  
 Lathrop 648 11.00% \$645,663 Lathrop  
 Lodi 580 9.85% \$577,908 Lodi  
 Manteca 1121 19.03% \$1,116,956 Manteca  
 Ripon 120 2.04% \$119,567 Ripon  
 Tracy 1895 32.17% \$1,888,164 Tracy  
 Uninc. County (inc \$1,455,730 Uninc. County  
 100.00% \$5,869,750 Total Net Allocation

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$13,545,576.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$6,772,788.00
<b>Program Funds Drawdown</b>	\$2,099,420.99	\$2,099,420.99
<b>Obligated CDBG DR Funds</b>	\$2,105,765.00	\$2,105,765.00
<b>Expended CDBG DR Funds</b>	\$3,152,371.02	\$3,152,371.02
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$1.79
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,354,557.75	\$0.00
Limit on Admin/Planning	\$903,038.50	\$99,857.98
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

### Overall Progress Narrative:

During the reporting period, San Joaquin County, through three (3) non-profit housing development organizations, was able to acquire 27 vacant, foreclosed houses. These homes were purchased in designated target areas (areas hit hardest by the foreclosure crisis) in each participating jurisdiction in the county. One of these homes has completed the cycle of purchase, rehabilitation and resale to a qualified homebuyer. The remainder are in various stages of acquisition, rehabilitation and resale. The County is soliciting congregate housing site proposals for special needs populations to fulfill the 25% set-aside for households with incomes at or below 50% AMI.

Two key events occurred just prior to the reporting period that greatly enhanced the County's NSP implementation success in the 3rd quarter of 2009. The first event was HUD's lowering of the purchase discount requirement. The second was the County establishing a relationship with the National Stabilization Community Trust, which provided access to the five largest bank's pool of foreclosed properties.

## 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
NSP-1, Acquisition/Rehabilitation/Resale	\$0.00	\$2,061,156.65	\$5,669,751.00	\$2,061,156.65
NSP-2, Acquisition/Rehabilitation/Rental	\$0.00	\$0.00	\$2,257,596.00	\$0.00
NSP-3, Acquisition/Demolition/Redevelopment	\$0.00	\$0.00	\$200,000.00	\$0.00
NSP-4, Administration	\$0.00	\$38,264.34	\$903,038.00	\$38,264.34

## Activities

**Grantee Activity Number:** NSP-09-01

**Activity Title:** STAND Activities

**Activity Category:**

Acquisition - buyout of residential properties

**Project Number:**

NSP-1

**Projected Start Date:**

03/11/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Rehabilitation/Resale

**Projected End Date:**

09/10/2011

**Responsible Organization:**

San Joaquin County Community Development Dept.

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$3,770,658.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,885,329.00
<b>Program Funds Drawdown</b>	\$1,134,625.57	\$1,134,625.57
<b>Obligated CDBG DR Funds</b>	\$1,135,000.00	\$1,135,000.00
<b>Expended CDBG DR Funds</b>	\$1,494,808.36	\$1,494,808.36
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Purchase, rehabilitate and re-sell foreclosed single family residential units to qualified homebuyers.

**Location Description:**

Identified target areas in the cities of Stockton, Manteca, Escalon and Ripon.

**Activity Progress Narrative:**

STAND acquired a total of 10 foreclosed homes in Stockton, Escalon and Manteca during the third quarter of 2009. Nine (9) of these homes are currently being rehabilitated and one (1) has been sold to a moderate income household.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	10	0/0	0/0	10/31
# of housing units	0	0	10	0/0	0/0	10/31
# of Households benefitting	0	1	1	0/24	1/7	1/31
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/31

**Activity Locations**

Address	City	State	Zip
1006 W. Topaz Court	Manteca	NA	95336
1507 Tamara Court	Escalon	NA	95320
1873 E. 11th Street	Stockton	NA	95206
2343 Porter Way	Stockton	NA	95207
2489 Portifino Street	Manteca	NA	95337

1846 Polk Way	Stockton	NA	95207
2056 Peregrine Street	Manteca	NA	95337
1542 Calhoun Way	Stockton	NA	95207
1769 Cocomo Place	Manteca	NA	95337
1074 Tioga Way	Manteca	NA	95337

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$1,885,329.00
Total Other Funding Sources	\$1,885,329.00

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**Grantee Activity Number:** NSP-09-02

**Activity Title:** Visionary Homebuilders Activities

**Activity Category:**

Acquisition - buyout of residential properties

**Activity Status:**

Under Way

**Project Number:**

NSP-1

**Project Title:**

Acquisition/Rehabilitation/Resale

**Projected Start Date:**

03/11/2009

**Projected End Date:**

09/10/2011

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

San Joaquin County Community Development Dept.

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$5,210,240.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$2,605,120.00
<b>Program Funds Drawdown</b>	\$495,419.05	\$495,419.05
<b>Obligated CDBG DR Funds</b>	\$500,000.00	\$500,000.00
<b>Expended CDBG DR Funds</b>	\$934,470.02	\$934,470.02
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Purchase, rehabilitate and resell foreclosed single family residential units to qualified homebuyers.

**Location Description:**

Identified target areas in the unincorporated San Joaquin County and the cities of Tracy and Manteca.

**Activity Progress Narrative:**

Visionary Homebuilders acquired, or is the process of acquiring, eleven (11) foreclosed homes in designated target areas during the third quarter of 2009. Seven (7) of the homes are currently being rehabilitated and four (4) are in the final stages of escrow. All of these homes will be sold to qualified homebuyers.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
<b># of Properties</b>	0	0	11	0/0	0/0	11/45
<b># of housing units</b>	0	0	11	0/0	0/0	11/45
<b># of Households benefitting</b>	0	0	0	0/36	0/9	0/45
<b># of Parcels acquired voluntarily</b>	0	0	0	0/0	0/0	0/45

**Activity Locations**

Address	City	State	Zip
1301 Duncan Drive	Tracy	NA	95376
1845 Kavanagh Avenue	Tracy	NA	95376
663 Blossom Court	Manteca	NA	95336
2417 Princeton Avenue	Stockton	NA	95204

215 Pereira Avenue	Tracy	NA	95376
2670 Colony Drive	Tracy	NA	95376
875 Pantera Avenue	Manteca	NA	95337
2475 Colony Drive	Tracy	NA	95376
3820 S. Mourfield Avenue	Stockton	NA	95206
1931 Paradise Valley Court	Tracy	NA	95376
422 Charlemagne	Tracy	NA	95376

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$2,605,120.00
Total Other Funding Sources	\$2,605,120.00

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**Grantee Activity Number:** NSP-09-03

**Activity Title:** Service First Activities

**Activity Category:**

Acquisition - buyout of residential properties

**Activity Status:**

Under Way

**Project Number:**

NSP-1

**Project Title:**

Acquisition/Rehabilitation/Resale

**Projected Start Date:**

03/11/2009

**Projected End Date:**

09/10/2011

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

San Joaquin County Community Development Dept.

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$2,358,602.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,179,301.00
<b>Program Funds Drawdown</b>	\$431,112.03	\$431,112.03
<b>Obligated CDBG DR Funds</b>	\$432,000.00	\$432,000.00
<b>Expended CDBG DR Funds</b>	\$623,234.66	\$623,234.66
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Purchase, rehabilitate and resell single family units to qualified homebuyers.

**Location Description:**

Identified target areas in the unincorporated San Joaquin County and the cities of Lathrop and Lodi.

**Activity Progress Narrative:**

Service First has acquired six (6) foreclosed homes in designated target areas in Lathrop, Stockton and Lodi during the third quarter of 2009. Four of the homes are currently being rehabilitated, one (1) is in the final stages of escrow, and one (1) is currently for sale.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
<b># of Properties</b>	0	0	6	0/0	0/0	6/23
<b># of housing units</b>	0	0	7	0/0	0/0	7/23
<b># of Households benefitting</b>	0	0	0	0/19	0/4	0/23
<b># of Parcels acquired voluntarily</b>	0	0	0	0/0	0/0	0/23

**Activity Locations**

Address	City	State	Zip
920 E. Toro Lane	Lathrop	NA	95330
438 Via Marco	Lodi	NA	95240
299 Gail Drive	Lathrop	NA	95330
502 E. Oak Street	Lodi	NA	95240

15831 Grayson Road	Lathrop	NA	95330
1950 Sunset Avenue	Stockton	NA	95205

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
Neighborhood Stabilization Program	\$1,179,301.00
Total Other Funding Sources	\$1,179,301.00

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**Grantee Activity Number:** NSP-09-099

**Activity Title:** NSP Administration

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

NSP-4

**Project Title:**

Administration

**Projected Start Date:**

03/11/2009

**Projected End Date:**

09/10/2011

**National Objective:**

Low/Mod

**Responsible Organization:**

San Joaquin County Community Development Dept.

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

Total Projected Budget from All Sources	N/A	\$1,806,076.00
Total CDBG Program Funds Budgeted	N/A	\$903,038.00
Program Funds Drawdown	\$38,264.34	\$38,264.34
Obligated CDBG DR Funds	\$38,765.00	\$38,765.00
Expended CDBG DR Funds	\$99,857.98	\$99,857.98
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

**Activity Description:**

Administer and manage the San Joaquin County Neighborhood Stabilization Program

**Location Description:**

1810 E. Hazelton Ave., Stockton, CA 95205

**Activity Progress Narrative:**

The County has committed the equivalent of approximately 2.0 Full Time Equivalent(FTE) of staffing to the administration and management of the County's NSP. This 2.0 FTE is comprised of time from a minimum of 6 different staff persons performing environmental reviews, accounting, inspections, compliance reviews and general administration and management.

**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 Stabilization Program	\$903,038.00
Total Other Funding Sources	\$903,038.00

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