

**Grantee: Surprise Town, AZ**

**Grant: B-08-MN-04-0506**

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

**Grant Number:**

B-08-MN-04-0506

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

Surprise Town, AZ

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

\$2,197,786.00

**Contract End Date:**

03/20/2013

**Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**QPR Contact:**

No QPR Contact Found

**Disasters:****Declaration Number**

NSP

**Narratives****Areas of Greatest Need:**

Surprise has experienced a great effect from the foreclosure crisis. With a foreclosure rate of over 8% in some areas, and a sub-prime rate of 41% within the original town site, Surprise is in a housing crisis that must be addressed in order to stabilize its neighborhoods. Through local research it has been determined that Special Planning Area 1 within Surprise has seen the greatest impact through the rapid rate of foreclosure, therefore this has been determined the area of greatest need.

**Distribution and Uses of Funds:**

Surprise intends to use the funds to acquire vacant and/or foreclosed homes, to rehabilitate or demolish and newly construct these homes. Surprise will then sell these homes to qualified buyers with homebuyer assistance as necessary. These activities will be targeted to residential properties identified within the Area of Greatest Need. Initial project goal is to newly construct 3 homes on acquired vacant land, or parcels with a substandard home that needs to be demolished. Additionally, Surprise will purchase, rehabilitate if necessary, and resell with downpayment assistance 9 homes. Additional projects of this nature will be completed with program income.

**Definitions and Descriptions:****Low Income Targeting:****Acquisition and Relocation:****Public Comment:****Overall****This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$2,197,786.00

**Total CDBG Program Funds Budgeted**

N/A

\$2,197,786.00

Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$35,000.00	\$35,000.00
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
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$329,667.90	\$0.00
Limit on Admin/Planning	\$219,778.60	\$0.00
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$549,446.50	\$538,889.15

## Overall Progress Narrative:

Implementation of the program continues to move forward. Surprise has referred 50 interested families to begin required counseling and pre-approval process for mortgage loans. Of these 50, 7 families have completed the process and are currently assisting Surprise in identifying possible properties for purchase. Surprise has submitted 32 bids for the purchase of single-family homes within Special Planning Area 1. Of these 32, four have been accepted, and four are pending approval. Three home under contract for purchase are set to close in November, and one is set to close in December.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
001, Administration	\$0.00	\$219,779.00	\$0.00
002, Acquisition and Rehabilitation	\$0.00	\$1,103,447.00	\$0.00
003, Redevelopment	\$0.00	\$603,000.00	\$0.00
004, Financing Mechanism	\$0.00	\$271,560.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

## Activities

**Grantee Activity Number:** 001

**Activity Title:** Administration

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

001

**Project Title:**

Administration

**Projected Start Date:**

10/30/2008

**Projected End Date:**

06/30/2013

**Benefit Type:**

N/A

**Completed Activity Actual End Date:**

**National Objective:**

N/A

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$219,779.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$219,779.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$35,000.00	\$35,000.00
City of Surprise	\$35,000.00	\$35,000.00
<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:**

NSP funds will be used to pay reasonable program administrative costs related to the planning and execution of the activities listed previously. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges.

**Location Description:**

City of Surprise, Community Development Department  
16000 N. Civic Center Plaza  
Surprise, AZ 85374

**Activity Progress Narrative:**

Staff has been working in identifying possible program participants, referring participants to counseling agency, performing initial screening for eligibility, identifying homes for purchase, placing bids on homes, inspecting homes, and seeking contracted services for possible rehabilitation work needed on the homes.

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures found.**

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number: 0021**

**Activity Title: Acquisition and rehabilitation**

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Under Way

**Project Number:**

002

**Project Title:**

Acquisition and Rehabilitation

**Projected Start Date:**

03/30/2009

**Projected End Date:**

06/30/2013

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$875,222.04
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$875,222.04
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

The purchase and rehabilitation of homes located within Special Planning Area 1. These homes will be sold to qualified applicants with homebuyer assistance. Homes will be rehabilitated as necessary.

**Location Description:**

Homes located within Special Planning Area 1.

**Activity Progress Narrative:**

Staff has been working with the Real Estate Division in identifying homes in need of rehabilitation. Significant research has been completed with regard to ownership of vacant homes and rehabilitation needs of the homes under consideration. Work has also been completed with respect to identifying families for the subsequent purchase of the homes. Of the four homes under contract for purchase, it is estimated that all will need some level of rehabilitation work done before resale of homes to eligible buyers. It is estimated that the work to these four homes will be completed in November 2009.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	0/9
	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Housing Units</b>	0	0/9

# of Singlefamily Units

0

0/9

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/7	0/7	0
# Owner Households	0	0	0	0/0	0/7	0/7	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** 0022

**Activity Title:** Acquisition and Rehabilitation

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Under Way

**Project Number:**

002

**Project Title:**

Acquisition and Rehabilitation

**Projected Start Date:**

03/30/2009

**Projected End Date:**

06/30/2013

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$365,249.15
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$365,249.15
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

Acquisition and rehabilitation of homes within Special Planning Area 1. These homes will be sold to buyers at or below 25% AMI. The homes will be rehabilitated as necessary and will likely be sold with homebuyer assistance such as downpayment assistance of sale discount.

**Location Description:**

Homes within Special Planning Area 1.

**Activity Progress Narrative:**

Staff has been working with the Real Estate Division in identifying homes in need of rehabilitation. Significant research has been completed with regard to ownership of vacant homes and rehabilitation needs of the homes under consideration. Work has also been completed with respect to identifying families for the subsequent purchase of the homes. Of the four homes under contract for purchase, it is estimated that all will need some level of rehabilitation work done before resale of homes to eligible buyers. It is estimated that the work to these four homes will be completed in November 2009.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	0/2
<b># ELI Households (0-30% AMI)</b>	0	0/0

<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
<b>Total</b>	<b>Total</b>

# of Housing Units	0	0/2
# of Singlefamily Units	0	0/2

## Beneficiaries Performance Measures

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

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number:** 0031

**Activity Title:** Reconstruction LMMI

**Activity Category:**

Construction of new housing

**Project Number:**

003

**Projected Start Date:**

03/30/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Redevelopment

**Projected End Date:**

06/30/2013

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Surprise

Overall	Jul 1 thru Sep 30, 2009	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$415,380.88
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$415,380.88
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

Newly constructed homes will be sold to eligible applicants. These homes will be constructed through a contract with Habitat for Humanity. Habitat was selected through a procurement process, and will construct all homes with Leed and visitability components. Land may have a structure that needs to be demolished in order to build a new home that meets local city codes.

**Location Description:**

Land will be purchased within Special Planning Area 1 in Surprise, Arizona.

**Activity Progress Narrative:**

Staff has been working with the Real Estate Division in identifying homes in need of demolition and new construction. Significant research has been completed with regard to ownership of vacant homes and replacement needs of the homes under consideration. Work has also been completed with respect to identifying families for the subsequent purchase of the homes.

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
#Low flow toilets	0	0/2
#Low flow showerheads	0	0/2
#Units exceeding Energy Star	0	0/2
#Units & other green	0	0/2

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/2
# of Singlefamily Units	0	0/2

## Beneficiaries Performance Measures

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

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number:** 0032

**Activity Title:** New Home Construction

**Activity Category:**

Construction of new housing

**Project Number:**

003

**Projected Start Date:**

03/30/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Redevelopment

**Projected End Date:**

06/30/2013

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$105,750.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$105,750.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

The construction of 1 home for an eligible buyer at or below 25% AMI. This home is to be constructed by Habitat for Humanity through a contractual agreement with City of Surprise. This agreement was entered into once the city's procurement process was complete. The home will be constructed with LEED and visitability components. The home will likely be sold with downpayment assistance and/or sale discount.

**Location Description:**

Acquisition of land will be within Special Planning Area 1.

**Activity Progress Narrative:**

Staff has been working with the Real Estate Division in identifying homes in need of demolition and new construction. Significant research has been completed with regard to ownership of vacant homes and replacement needs of the homes under consideration. Work has also been completed with respect to identifying families for the subsequent purchase of the homes.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b>#Low flow toilets</b>	0	0/1
<b>#Low flow showerheads</b>	0	0/1
<b>#Units exceeding Energy Star</b>	0	0/1
<b>#Units &amp; other green</b>	0	0/1

# ELI Households (0-30% AMI)

0

0/0

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

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/1	0/0	0/1	0
# Owner Households	0	0	0	0/1	0/0	0/1	0

### 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: 0041**

**Activity Title: Home Buyer Assistance**

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Activity Status:**

Under Way

**Project Number:**

004

**Project Title:**

Financing Mechanism

**Projected Start Date:**

03/30/2009

**Projected End Date:**

06/30/2013

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$148,514.93
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$148,514.93
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

Homebuyer assistance through financing mechanisms such as down payment assistance and sale discounts. The 8 hour minimum of homebuying counseling will be completed by Neighborhood Housing Services of the Southwest Valley through a contract with the City of Surprise that was established upon completion of the City's procurement process.

**Location Description:**

Properties located within Special Planning Area 1 within Surprise.

**Activity Progress Narrative:**

Seven families have completed the pre-purchase housing Counseling process and have sought loan pre-approval for the purchase of homes within the NSP program with the assistance of down-payment and closing costs. Of these seven, it is estimated six will fall between 51 - 120% of area median income. It is estimated that families will begin closing on home purchases by December 2009.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Housing Units</b>	0	0/9
<b># of Singlefamily Units</b>	0	0/9

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/9	0/9	0
# Owner Households	0	0	0	0/0	0/9	0/9	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number: 0042**

**Activity Title: Home Buyer Assistance**

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Activity Status:**

Under Way

**Project Number:**

004

**Project Title:**

Financing Mechanism

**Projected Start Date:**

03/30/2009

**Projected End Date:**

06/30/2013

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Surprise

**Overall**

**Jul 1 thru Sep 30, 2009**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$67,890.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$67,890.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Surprise	\$0.00	\$0.00
<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:**

Homebuyer assistance given to qualified applicants that are at or below 25% of AMI. The minimum 8 hours housing counseling will be provided by Neighborhood Housing Services of Southwest Maricopa County which was established through a contract with Surprise upon completion of the City's procurement process. Homebuyer assistance will be given in the form of downpayment assistance, and/or sale discounts.

**Location Description:**

Homes located within Special Planning Area 1.

**Activity Progress Narrative:**

Seven families have completed the pre-purchase housing counseling process and have sought loan pre-approval for the purchase of homes within the NSP program with the assistance of down-payment and closing costs. Of these seven, it is estimated one will fall at or below 50% of area median income. It is estimated that families will begin closing on home purchases by December 2009.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Housing Units</b>	0	0/3
<b># of Singlefamily Units</b>	0	0/3

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/3	0/0	0/3	0
# Owner Households	0	0	0	0/3	0/0	0/3	0

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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