

Grantee: Victorville, CA

Grant: B-08-MN-06-0523

January 1, 2019 thru March 31, 2019 Performance Report



Grant Number:

B-08-MN-06-0523

Obligation Date:

03/12/2009

Award Date:

02/27/2009

Grantee Name:

Victorville, CA

Contract End Date:**Review by HUD:**

Reviewed and Approved

Grant Award Amount:

\$5,311,363.00

Grant Status:

Active

QPR Contact:

Lesyenia Marin

LOCCS Authorized Amount:

\$5,311,363.00

Estimated PI/RL Funds:

\$3,200,000.00

Total Budget:

\$8,511,363.00

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The City of Victorville began its needs assessment in response to the housing crisis (high number of foreclosed, vacant properties beginning to have adverse effects on neighborhoods) by holding a consultation meeting in September and holding housing symposiums with other communities to discuss and identify ways to help our residents. For purpose of this Amendment, the low, moderate, and middle-income areas will be noted as "LMMI". This data was made available by the U.S. Department of Housing and Urban Development (HUD) and the data can be found at the following address: http://www.huduser.org/publications/commdevl/nsp_target.html. The HUD data also includes the following: Estimated foreclosure/abandonment risk score (1 to 10 with 10 being the highest risk) – Victorville's data ranged from 3 to 6;

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- Rate of high cost loans (2004-2006);

- Predicted 18 month underlying problem foreclosure rate;

- Rate of housing price decline since the peak in the housing market (June 2008);

- Unemployment rate (June 2008);

- Residential vacancy rate (June 2008).

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San Bernardino County and specifically the City of Victorville were severely impacted with foreclosures and vacancies. The Inland Empire became the second largest hit area in the Country. Two other factors that contributed to the number of foreclosures were the high rate of unemployment that reached 16% in July 2009 and the reduction of 40% to 70% in sales prices that exceeded the average sales prices anywhere else in the country. In 2008, the average property value in Victorville was almost \$389,000 and as of June 2009, the average price was \$110,000.

Distribution and and Uses of Funds:

On October 6, 2009, City of Victorville Council voted unanimously adopted an amendment to the NSP plan to increase designated areas from 4 to 9. Each area had met HUD's NSP criteria. Copies of the maps are currently available on our website at www.victorvillecity.com and have approved by HUD. The City will utilize a comprehensive approach in addressing the greatest needs in those areas with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan and those neighborhoods with the greatest likeliness to face significant rise in the rate of home foreclosures. Additionally, it will also consider the crime/vandalism increase and the deterioration of neighborhoods. This can only be accomplished with a multi-prong approach to arrest the declining effects that are deteriorating our neighborhoods. Staff has identified the Neighborhood Revitalization Program (NRP) as the program to be funded with the Neighborhood Stabilization Program funds. This program will consist of eight activities (or tools) plus administration to fully address the impact of the identified neighborhoods. The identified activities are listed below in order of priority. However, the funding will not be restricted to the specific neighborhoods, but priority will be given to those identified communities.

NSP priority areas identified meet the requirements of 2301(c) (2) of the Housing and Economic Recovery Act (HERA) in the



following manner: An analysis of locations real estate owned (REOs) throughout the City;

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- Highest percentage of high cost loans;
- Highest percentage of likely to face rise in foreclosures in the next 12 months

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Based on these priorities, the activities/tools created are to be funded with NSP funds.

Definitions and Descriptions:

Blight: The City of Victorville uses the State of California's definition of blight as found in Health and Safety Code Sections 33030 and 33031 which are attached as Exhibit B. The City also uses the Uniform Code for the Abatement of Dangerous Buildings to demolish severely substandard structures and backs the process through VMC 13.02.210 (nuisance abatement) as applicable. The Section of this code is also attached as Exhibit B. H & S 17920.3 provides detailed definitions of physical conditions of a substandard building. Affordable rents: Note: Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability. Any NSP funded rental activity will use the required "affordable rents" which shall be defined as 30 percent of the household's adjusted income, less utility allowances as adopted by the County of San Bernardino's Housing Authority for the Section 8 program, as appropriate. HUD's Fair Market Rent schedule for the San Bernardino/Riverside/Ontario MSA will be used. Income levels influence the ability of a household to afford housing, services and other necessities. Households with lower incomes are limited in their ability to balance housing costs with other needs and often the ability to find housing of adequate size. HUD has established the following income categories: Extremely Low Income Households: Households whose gross income is equal to or less than 30 percent of the area median income. Low Income Households: Households whose gross income is between 31 percent and 50 percent of the area median income. Moderate Income Households: Households whose gross income is between 51 percent and 80 percent of the area median income. Above Moderate: Households whose gross income is above 80 percent of the area median income. Above Middle: Households whose gross income is above 120 percent of the area median income. Continued affordability: The City will ensure continued affordability by recording a 45 year affordability covenant for each single family residence that participates in the NSP funding and a 55 year affordability covenant for every rental unit made available under this program. All units shall be monitored annually to ensure compliance with the covenants recorded following the City of Victorville's Monitoring Plan. Rehabilitation Standards: The NSP funds will utilize the current revised "Rehabilitation Standards" used for the Owner Occupied Rehabilitation (OOR) Program (funded from Redevelopment Housing funds) and the California Building Codes: Code Corrections: At completion, each project will address all health and safety issues and all code violations shall be corrected. Applicable codes will include: the California Code Regulations, Title 24, Part 1 (California Administrative Code), 2 (California Building Code), 3 (California Electrical Code), 4 (California Mechanical Code), 5 (California Plumbing Code), 6 (California Energy Code), 7, 8 (California Historical Building Code), 9 (California Fire Code), 10 (California Existing Building Code), 12, and the 1991 Edition of the Uniform Administrative Code published by the International Conference of Building Officials. Additionally it will address other applicable codes, such as ADA, Section 504 and relevant

Definitions and Descriptions:

nt sections of Title 24 pertaining to disability access. Lead Based Paint: NSP funding will be made available where applicable to control or abate defective lead based paint surfaces in the property rehabilitation. A lead based paint inspection report may be required for any home built prior to 1978. Eligible Improvements: Improvements in the rehabilitation of properties can include the following: Exterior work to help preserve or protect structures, roofing, siding, re-leveling, bracing, repair

Low Income Targeting:

The City will use approximately 25% of the NSP Allocation, as required, to serve individuals and/or families whose incomes is at or below the 50 percent of area median income.

Acquisition and Relocation:

It is the intention of the City to limit the number of demolitions to no more than 3 units. The City is not planning any conversions. The properties to be acquired and demolished will be vacant; however, they might have had at one time low-to moderate income households. When possible, every effort will be made to return a unit to the same income level, if the information is available. It is the intent of the City to partner with other jurisdictions and/or non-profits to fully leverage our NSP funds to create as many units at or below 50% of AMI as possible. However, it is difficult to estimate the number of units to be created at this time, but every attempt will be made to create at a minimum two units. There will be a minimum of 5 units created for households at or below 80% and the number of units to make available to low-, moderate and middle-income households at or less than 120% is at a minimum 10 units. The City anticipates fully committing/obligating all the NSP funds within the 18 months. Some of the activities are expected to produce program income which will continue to fund these NSP activities until July 2013, unless otherwise HUD authorizes the use of said funds beyond this date.

Public Comment:

On October 31, 2008, the City published the draft Amendment to the FY 2008-2009 Action Plan and 2007-2012 Consolidated Plan inviting citizens and agency representatives to comment on the draft Amended Plans. In addition, the public notice informed citizens regarding the availability of the draft Amended Plans during a 15 day public comment period beginning October 31, 2008 through November 17, 2008. The City Council, at the November 18, 2008 City Council meeting, adopted the amended plans for submittal to HUD directing staff to incorporate any and all citizen comments received at the council meeting



and during the 15 day public comment period in the final amended plan. No public comments were received either in writing, by telephone, or at the council meeting.

Copies of the amended plan have been made available for public review and comment from Monday, September 21, 2009 to Tuesday, October 6, 2009. There were no public comments received during this 15-day public comment period on the Amended Action Plan.

On October 6, 2009, the City Council conducted a Public Hearing to consider any input, comment or suggestions on the Amended NSP Action Plan. There were no comments received at the City Council Public Hearing.

Copies of the amended plan were made available for public review and comment from August 3, 2018 through August 20, 2018. There were no public comments received during this 15 day public comment period on the amended action plan.

On August 21, 2018 the City Council conducted the public hearing to consider any input, comment, or suggestions on the amended NSP action plan. There were no comments received at the city council public comment hearing.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$8,498,878.00
Total Budget	\$0.00	\$8,498,878.00
Total Obligated	\$0.00	\$6,534,610.93
Total Funds Drawdown	\$0.00	\$6,080,499.17
Program Funds Drawdown	\$0.00	\$5,091,519.72
Program Income Drawdown	\$0.00	\$988,979.45
Program Income Received	\$0.00	\$2,550,896.95
Total Funds Expended	\$0.00	\$8,070,580.49
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$796,704.45	\$0.00
Limit on Admin/Planning	\$531,136.30	\$435,433.00
Limit on Admin	\$0.00	\$435,433.00
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$2,127,840.75	\$2,930,165.43

Overall Progress Narrative:

No new activities to report. The City is aware that it has 30 flags to address in the DRGR system for the NSP1 and NSP3 grants. However upon completion of it's affordable housing agreement and project to house the chronic homeless it will reconcile all DRGR records to match City records and will correct the "flags".

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown



NSP 2008 09-100-10, Acquisition Rehab Rental	\$0.00	\$467,672.00	\$0.00
NSP 2008 09-100-11, Redevelopment	\$0.00	\$219,843.00	\$0.00
NSP 2008-09-100-01, Acquisition, Rehab, Resale	\$0.00	\$6,514,625.18	\$4,237,055.24
NSP 2008-09-100-03, Financial Mechanisms	\$0.00	\$269,921.82	\$250,000.00
NSP 2008-09-100-04, Demolition and Land Banking	\$0.00	\$245,680.00	\$169,031.48
NSP 2008-09-100-09 A, Administration	\$0.00	\$781,136.00	\$435,433.00



Activities

Project # / Title: NSP 2008-09-100-03 / Financial Mechanisms

Grantee Activity Number: NSP 2008-09-100-03 MAP LH25

Activity Title: NSP MAP LH25

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP 2008-09-100-03

Projected Start Date:

04/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Financial Mechanisms

Projected End Date:

06/30/2014

Completed Activity Actual End Date:

Responsible Organization:

Victorville Redevelopment Agency1

Overall	Jan 1 thru Mar 31, 2019	To Date
Total Projected Budget from All Sources	N/A	\$40,000.00
Total Budget	\$0.00	\$40,000.00
Total Obligated	\$0.00	\$40,000.00
Total Funds Drawdown	\$0.00	\$40,000.00
Program Funds Drawdown	\$0.00	\$40,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$40,000.00
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

This activity will provide Mortgage Assistance to qualified LH25 households to assist them in purchasing a home within the City of Victorville NSP1 Target Areas. All beneficiaries reported in this activity will have purchased a home under Activity No. NSP 2008-09 100-01 SFR LH25. Beneficiaries who purchase a home rehabilitated with NSP1 funds and who receive Mortgage Assistance will be reported under this activity.

Location Description:

Properties are to be located within the 9 NSP designated areas.

Activity Progress Narrative:



Accomplishments Performance Measures

No Accomplishments Performance Measures

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

