

Grantee: Louisiana

Grant: B-11-DN-22-0001

January 1, 2019 thru March 31, 2019 Performance Report

Grant Number: B-11-DN-22-0001	Obligation Date: 09/20/2010	Award Date: 03/10/2010
Grantee Name: Louisiana	Contract End Date: 03/10/2014	Review by HUD: Reviewed and Approved
Grant Award Amount: \$5,000,000.00	Grant Status: Active	QPR Contact: James V McDonnell
LOCCS Authorized Amount: \$5,000,000.00	Estimated PI/RL Funds: \$0.00	
Total Budget: \$5,000,000.00		

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Given that the intent of this program is to stabilize neighborhoods, coupled with the fact that available resources are scarce, the State has decided to designate a small area of concentrated need as the area of "Greatest Need". By selecting this approach over one that would produce a larger area, the State believes that it will be better able to make a noticeable and significant impact on the ongoing stability of the selected neighborhood. The "Greatest Need" designation was determined by using HUD's mapping tool to assess potential target areas and the working knowledge (on the ground in neighborhoods statewide) where the greatest need for affordable rental housing has been identified. The Lower Ninth Ward within the boundaries of St. Claude, Andry, Eganias, Uguart, Forstall, N. Prieur and Avenue F shall be designated as such. The target area is adjacent to the headquarters of the Louisiana National Guard at Jackson Barracks, completing a \$300 million rebuilding project. The area includes a restored Martin Luther King Charter School, a new Sanchez Community Center and a new community center at St. David's Parish. In addition to the Small Rental properties, the state's investments in housing include homes rebuilt through the Road Home Program, the Nonprofit Rebuilding Pilot Program and the Alternative Housing Pilot Program. Working Knowledge: Prior to hurricane Katrina, many low to moderate income working families in Louisiana lived in single-family homes, duplexes and small multi-family dwellings that were owned and operated by small-scale rental property owners. More specifically, fifty-five percent of the housing units in New Orleans were rental units. Because of the increasing demand for affordable rental property, the NSP3 program will work in partnership with the Louisiana Small Rental Property program (SRPP) to address the housing needs of low to moderate income people in the most heavily damaged areas. The program seeks to rebuild one to four units' rental property structures. NSP3 will provide gap financing in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents to income eligible tenants (50% AMI but not < than 80% AMI). The Objectives of the NSP3 Rental program include: • Providing gap financing to small-scale property owners who do not have the credit to obtain a loan but have an eligible rental units score • Ensuring affordable rents for low- to moderate-income working families • Supporting and leveraging other CDBG funds to achieve a more powerful impact while redeveloping small rental properties • Restoring blighted properties that will not be restored without NSP3 Through the SRPP, participating property owners are required to accept limits on the rents charged and the incomes of the tenants selected. The amount of financing is provided in three tiers based upon the income level of the tenants to be served. The highest amount of funding per unit is available to property owners who agree to offer the lowest rents. Awards are offered as no interest, no payment, forgivable loans, awarded once the units are repaired and income eligible tenants are identified. The loan is due only upon resale of the property or failure to comply with the rent restrictions and household income limitations. NSP3 will provide the gap financing t

Summary of Distribution and Uses of NSP Funds:

o property owners who do not have enough funds to complete the units and/or owners who do not have the capacity to obtain a loan. In addition, NSP3 will incorporate the green standard to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances with Energy Star-46 labeled products. Although NSP3 and SRPP, Rental program, will not have sufficient resources to provide every small-scale property owner with an award to repair their dama

How Fund Use Addresses Market Conditions:

The local market condition in the Lower Ninth Ward is still in the recovery phase. There are thousands of blighted and vacant units waiting to be rehabilitated. The NSP3 goal is to provide gap financing to 56 rental units. Of this funding, half will be targeted to families at 50% AMI.



Ensuring Continued Affordability:

Rental Housing Activity
Minimum Period of Affordability
Total NSP Investment per unit
Rehab Projects
Under \$15,000 - 5 Years
Total NSP Investment per unit
Rehab Projects
\$15,000 to \$40,000 - 10 Years
Total NSP Investment per unit
Rehab Projects
Over \$40,000 - 15 Years

New Construction Rental Housing - 20 Years
Funding will consist of a no interest, no payment, forgivable loan requiring property owners to maintain affordable rent levels for up to 15 years. The loan is due only upon resale of the property or failure to comply with the rent restrictions and household incomes.

Definition of Blighted Structure:

1. Under Louisiana law "blighted housing property" means
 - (a) any residential housing property for which environmental remediation is required by State law, rule, or regulation and the condition of which is found or declared by the public officer to be harmful to the health or welfare, including the economic welfare, of the residents of the local governmental subdivision wherein the residential property is located,
 - (b) any residential housing property that, as of the effective date of this Chapter, had been determined to be a blighted property or an adjudicated property by the local governmental subdivision,
 - (c) any residential housing property that
 - (i) is offered by a party in interest for inclusion on a blighted housing properties list and
 - (ii) the current condition of which is declared by the local governmental subdivision to be below minimum habitability standards and unfit for human habitation, occupancy, or use, or
 - (d) any residential housing property that has not been legally occupied for eighteen months prior to the time a public officer makes a determination that the property has been vacant for such eighteen]month period and
 - (i) has been determined to be a public nuisance by the local governmental subdivision, except no residential housing property in an area impacted by Hurricane Katrina or Hurricane Rita which was occupied as of August 28, 2005, shall be included if the owner is eligible for and receives assistance under the Road Home Housing Program

Definition of Affordable Rents:

For any rental activity undertaken pursuant to the Neighborhood Stabilization Program, "affordable rent" is defined as: the fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or a rent that does not exceed 30 percent of the adjusted income of the eligible household occupying the unit. Fair Market Rent (FMR) will be determined according to the applicable FMR for the community in which the NSP]assisted activity takes place.
Affordable rents will be required to be in effect for each rental property for no less than the affordability period of 10 years for that property.

Housing Rehabilitation/New Construction Standards:

All projects will have to comply with following:
State Code - International Building Code, HUD's Section 8 Housing Quality Standards (HQS) as noted in 24CFR 982.40.
All applicable local codes, rehabilitation standards, ordinances, and zoning ordinances; Handicapped accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act
Participants in SRPP and NSP3 Program who elected to rebuild their affordable units to a nationally recognized Green Building Standard will be required to meet one of the following standards to pass their final SRPP and NSP program inspection. The acceptable standards are:

1. The Louisiana Rebuilds Standard;
2. The Leadership in Energy and Environmental Design (LEED) standard; or
3. The National Association of Home Builders (NAHB) Gold/Silver Standards

Vicinity Hiring:

NSP3 will comply with Section 3 of the Housing and Urban Development Act of 1968 (12U.S.C. §1701u, Section3) (24CFR Part 135), as amended, requiring that to the greatest extent feasible, opportunities for training and employment be given to low and very lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible Section 3 business concerns.

Procedures for Preferences for Affordable Rental Dev.:

The "Greatest Need" designation was determined by using HUD's mapping tool to assess potential target areas and the working knowledge (on the ground in neighborhoods statewide) where the greatest need for affordable rental housing has been identified. The Lower Ninth Ward within the boundaries of St. Claude, Andry, Eganian, Uguart, Forstall, N. Prieur and Avenue F shall be designated as such.
The target area is adjacent to the headquarters of the Louisiana National Guard at Jackson Barracks, completing a \$300 million rebuilding project. The area includes a restored Martin Luther King Charter School, a new Sanchez Community Center and a new community center at St. David's Parish. In addition to the Small Rental properties, the state's investments in housing include homes rebuilt through the Road Home Program, the Nonprofit Rebuilding Pilot Program and the Alternative Housing Pilot Program.
Prior to hurricane Katrina, many low to moderate income working families in Louisiana lived in single-family homes, duplexes and small multi-family dwellings that were owned and operated by small-scale rental property owners. More specifically, fifty-five percent of the housing units in New Orleans were rental units. Because of the increasing demand for affordable rental property, the NSP3 program will work in partnership with the Louisiana Small Rental Property program (SRPP) to address the housing needs of low to moderate income people in the most heavily damaged areas. The program seeks to rebuild one to four units' rental property structures. NSP3 will provide gap financing in the form of forgivable loans to property owners to help restore their damaged units and offer them at affordable rents to income eligible tenants (50% AMI but not < than 80% AMI).

Grantee Contact Information:

James McDonnell
Louisiana Housing Corporation
2415 Quail Drive
Baton Rouge, LA 70808



Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,500,000.00
Total Budget	\$0.00	\$5,000,000.00
Total Obligated	\$0.00	\$5,000,000.00
Total Funds Drawdown	\$0.00	\$4,999,999.97
Program Funds Drawdown	\$0.00	\$4,999,999.97
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$5,000,000.00
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	\$750,000.00	\$0.00
Limit on Admin/Planning	\$500,000.00	\$499,999.97
Limit on Admin	\$0.00	\$499,999.97
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$1,250,000.00	\$3,803,000.00

Overall Progress Narrative:

No expenditures this period.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
100, OCD Administrative	\$0.00	\$500,000.00	\$499,999.97
200, Rental L9	\$0.00	\$4,500,000.00	\$4,500,000.00



Activities

Project # / 200 / Rental L9

Grantee Activity Number: LH25
Activity Title: Eligible Use E

Activity Category:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 200

Project Title:
 Rental L9

Projected Start Date:
 03/10/2011

Projected End Date:
 03/09/2014

Benefit Type:
 Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:
 NSP Only - LH - 25% Set-Aside

Responsible Organization:
 Office of Community Development (OCD), Disaster

Overall	Jan 1 thru Mar 31, 2019	To Date
Total Projected Budget from All Sources	N/A	\$3,803,000.00
Total Budget	\$0.00	\$3,803,000.00
Total Obligated	\$0.00	\$3,803,000.00
Total Funds Drawdown	\$0.00	\$3,803,000.00
Program Funds Drawdown	\$0.00	\$3,803,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$3,803,000.00
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Eligible Uses: (E) Redevelop demolished or vacant properties as housing.
 • 24 CFR 570.202 Eligible rehabilitation and preservation activities for demolished or vacant properties.
 As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
 Clearance for blighted structure only 24 CFR 570.201(d)
 The state proposes to rehabilitate and redevelop a total of 42 properties which is a total of 82 affordable units.
 25% Set Aside-Changed accomplishments & beneficiaries performance measures from 48 to 41. Budget change from \$2,5M to \$3.8M. The actual number of units as of 10/7/2011-22 properties.
 For the quarter ending March 2012, the unit count changed from 41 to 29 due to foreclosures, land owners decided not to participate in the program and/or units were completed by land owners. With the reduction in the unit count, this allows the state to rebuild unit for unit up to a 4-plex, before we were replacing one unit in the new construction activity.
 The City of New Orleans is no longer working on the NSP3 project effective October 25, 2011.
 Shaw Environmental & Infrastructure will implement and administer the NSP3 services. The staff is hired and we are now working on the program setup, pre-implementation: legal documents, draw and payment approval process, project underwriting and creation of tools and templates to support program tracking and monitoring. No expenditure.

The budget amount changed from \$3.8M to \$3.9M

Jan-March 2013

The activity budget change from \$3,566,000 to \$3,430,539. Expended this quarter \$616,258.57.

- 99% of applicant funds have been legally obligated by issuing Commitment Letters to the applicants once eligibility criteria has been met.
- 38% of all funds have been drawn down and expended. 36% of applicant funds have been drawn down and expended.
- 21 out of 22 properties have closed with funds legally obligated and committed to be paid out over the next 3 months in the form of construction draws.
- 68% of the properties are at 75% construction complete or greater.
- The average construction complete percentage of all 22 properties is 65%.

Location Description:

Lower 9th Ward
within the boundaries of St. Claude, Andry, Eganias, Uguart, Forstall, N. Prieur and Avenue F

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



Grantee Activity Number: LMMI
Activity Title: Eligible Use E

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

200

Projected Start Date:

03/10/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Rental L9

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

Office of Community Development (OCD), Disaster

Overall	Jan 1 thru Mar 31, 2019	To Date
Total Projected Budget from All Sources	N/A	\$697,000.00
Total Budget	\$0.00	\$697,000.00
Total Obligated	\$0.00	\$697,000.00
Total Funds Drawdown	\$0.00	\$697,000.00
Program Funds Drawdown	\$0.00	\$697,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$697,000.00
Most Impacted and Distressed Expended	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Eligible Uses: (E) Redevelop demolished or vacant properties as housing.
 • 24 CFR 570.202 Eligible rehabilitation and preservation activities for demolished or vacant properties.
 As part of an activity delivery cost for an eligible activity as defined in 24 CFR 570.206.
 Clearance for blighted structure only 24 CFR 570.201(d)
 The state proposes to rehabilitate and redevelop a total of 42 properties which is a total of 82 affordable units.
 80% AMI & Below-Changed accomplishments & beneficiaries performance measures from 34 to 4, budget change from 2,000,000 to 700,000. The actual number of units as of 10/7/2011-2 properties
 For the quarter ending March 2012, the activity number name changed from 80% AMI to Rental LMMI and the budget changed from \$700K to \$600K. No change in unit count.
 The City of New Orleans is no longer working on the NSP3 project effective October 25, 2011.
 Shaw Environmental & Infrastructure will implement and administer the NSP3 services. The staff is hired and we are now working on the program setup, pre-implementation: legal documents, draw and payment approval process, project underwriting and creation of tools and templates to support program tracking and monitoring. No expenditure.
 Jan-March 2013
 The activity budget change from \$934,000 to \$921,946. Expended this quarter was \$108,789.87.
 Reduce other funds and will adjust when DRGR glitch is fix in September.
 •99% of applicant funds have been legally obligated by issuing Commitment Letters to the applicants once eligibility criteria has been met.
 •38% of all funds have been drawn down and expended. 36% of applicant funds have been drawn down and expended.
 •21 out of 22 properties have closed with funds legally obligated and committed to be paid out over the next 3 months in the form of construction draws.
 •68% of the properties are at 75% construction complete or greater.



•The average construction complete percentage of all 22 properties is 65%.

Location Description:

Lower 9th Ward: within the boundaries of St. Claude, Andry, Egania, Urguart, Forstall, N. Prieur and Avenue F.

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

Monitoring, Audit, and Technical Assistance

Event Type	This Report Period	To Date
Monitoring, Audits, and Technical Assistance	0	39
Monitoring Visits	0	19
Audit Visits	0	0
Technical Assistance Visits	0	20
Monitoring/Technical Assistance Visits	0	0
Report/Letter Issued	0	2

