

Grantee: Fulton County, GA

Grant: B-11-UN-13-0004

October 1, 2018 thru December 31, 2018 Performance



Grant Number:

B-11-UN-13-0004

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

Fulton County, GA

Contract End Date:

03/04/2014

Review by HUD:

Reviewed and Approved

Grant Award Amount:

\$3,094,885.00

Grant Status:

Active

QPR Contact:

Datonya Lewis

LOCCS Authorized Amount:

\$3,094,885.00

Estimated PI/RL Funds:

\$2,728,380.89

Total Budget:

\$5,823,265.89

Disasters:

Declaration Number

No Disasters Found

Narratives

Summary of Distribution and Uses of NSP Funds:

Administration - 10% of Grant Award or \$309,488; Acquisition and Rehabilitation - 90% of Grant Award or \$2,785,397.

How Fund Use Addresses Market Conditions:

District 7 clearly has the greatest need of all the Commission Districts in the County with 28 census tracts reflecting a foreclosure risk score of 19 or above. This area has the highest concentration of low- and moderate-income households in the County with the most abandoned and foreclosed residential properties outside of the City of Atlanta. In addition to having a high score on the HUD foreclosure risk indices, this target area has an elevated rate of serious delinquencies and a high concentration of lender-owned foreclosed properties. In an effort to adequately address rapidly declining neighborhoods, the County chose four potential census tracts in which to invest: 10508 block group 2, 10509 block group 1, 10510 block group 5 and 10511 block group 1. The County will obtain foreclosure information, define if the properties are eligible based on the HUD defined foreclosure and abandoned definition, and acquire the required HUD defined impact units.

By concentrating the usage of 90% of the NSP3 Grant Award towards the purchase, rehabilitation, and disposition of housing units within the four identified census tracts with the highest risk scores, Fulton County will address the alleviation of adverse market conditions.

Ensuring Continued Affordability:

Fulton County has adopted the affordability period requirements for the HOME Program plus one year as its standard for this program set forth in 24 CFR 92.252 (a) (c) (e) and (f) for rental housing and in 24 CFR 92.254 for homeownership housing, based on the amount of NSP funds provided for each project. These periods of affordability will be determined and enforced as follows based upon the level of assistance provided per unit for homeownership housing: under \$15,000, six years; \$15,000 to \$40,000, eleven years; and over \$40,000, sixteen years.

Definition of Blighted Structure:

Fulton County will utilize the adopted State of Georgia definition of blighted. The State of Georgia has adopted a definition of blighted property, blighted, or blight. Pursuant to Official Code of Georgia Annotated (O.C.G.A.) 22-1-1 "Blighted property," "blighted," or "blight" means any urbanized or developed property which: (A) Presents two or more of the following conditions: (i) Uninhabitable, unsafe, or abandoned structures; (ii) Inadequate provisions for ventilation, light, air, or sanitation; (iii) An imminent harm to life or other property caused by fire, flood, hurricane, tornado, earthquake, storm, or other natural catastrophe respecting which the Governor has declared a state of emergency under state law or has certified the need for disaster assistance under federal law; provided, however, this division shall not apply to property unless the relevant public agency has given notice in writing to the property owner regarding specific harm caused by the property and the owner has failed to take reasonable measures to remedy the harm; (iv) A site identified by the federal Environmental Protection Agency as a Superfund site pursuant to 42 U.S.C. Section 9601, et seq., or environmental contamination to an extent that requires remedial investigation or a feasibility study; (v) Repeated illegal activity on the individual property of which the property owner knew or should have known; or (vi) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and (B) Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property.



Fulton County will also reference the October 6, 2008, Federal Register Notice definition for blighted structures. In that notice, the definition of blighted structure states a structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.

Definition of Affordable Rents:

The County will require the NSP program recipients to follow the HUD regulations as set forth in 24 CFR 92.252. The County will use the Fair Market Rents FMR) for the metropolitan Atlanta area as determined and updated by HUD each year and adjusted for utilities as the standard for rental affordability under the program.

Housing Rehabilitation/New Construction Standards:

All rehabilitation and new construction funded with NSP will comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability, in order to sell, rent, or redevelop such homes and properties. The minimum code to be followed will be standards required by Fulton County Housing code or the city housing standards if located in a municipality within the County or the Minimum Standard Georgia Building Codes. Rehabilitation in excess of the above minimum standards may be undertaken in order to incorporate modern, green building and energy-efficiency improvements which will enhance long-term affordability. Information on these codes is available at <http://www.dca.state.ga.us/development/constructioncodes/programs/codes2.asp>

Vicinity Hiring:

The County includes in its contractual agreements requirements that developers make a good faith effort to involve minority and women owned businesses as contractors and subcontractors when working on federally funded projects. Fulton County Government internal policy mandates that small businesses, businesses owned by women and businesses owned by minorities have a fair and equal opportunity to participate in the County purchasing process. Therefore, the Fulton County Department of Purchasing & Contract Procurement Services Division encourages all disadvantaged businesses, small businesses, businesses owned by women and/or minorities to compete for our contracts and other opportunities. The Office of Housing and Community Development will provide the registered Fulton County Department of Purchasing & Contract Procurement Services list of vendors to any selected development partner. This would assist with ensuring that vicinity hiring is achieved. Fulton County will include in the selected Development partner agreement the following provision: to the maximum extent feasible, will provide for the hiring of employees who reside in the vicinity of projects funded by NSP 3 or contract with small businesses owned and operated by persons residing in the vicinity of such projects.

Procedures for Preferences for Affordable Rental Dev.:

Grantee Contact Information:

DaTonya Lewis, NSP Project Manager
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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,659,339.04
Total Budget	\$0.00	\$3,659,339.04
Total Obligated	\$0.00	\$3,659,339.04
Total Funds Drawdown	\$0.00	\$3,653,908.09
Program Funds Drawdown	\$0.00	\$3,089,454.05
Program Income Drawdown	\$0.00	\$564,454.04
Program Income Received	\$0.00	\$564,454.04
Total Funds Expended	\$0.00	\$3,652,098.62
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	\$464,232.75	\$0.00
Limit on Admin/Planning	\$309,488.50	\$360,502.95
Limit on Admin	\$0.00	\$360,502.95
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$1,455,816.47	\$1,143,309.80

Overall Progress Narrative:

Fulton County's Neighborhood Stabilization Program (NSP) was established with the purpose of stabilizing communities within the County's targeted areas that have been hit hardest by the foreclosure crisis. Under NSP -3, the County used funding on both Single and Multi-family units. A total of nine (9) single family homes were purchased, rehabbed and sold to income-eligible homebuyers by the Developer, Atlanta Neighborhood Development Partnership (ANDP).

On June 11, 2012, the Developer, ANDP purchased an existing two (2) building, twenty-four (24) unit blighted multifamily property. This property went through an extensive gut rehab. With the completion of the apartments, this will provide a much needed rental component to the County NSP program by assisting families who are not yet ready for homeownership. Due to the substantial rehabilitation costs of the property, the County used Federal NSP1 funds in conjunction with the Federal NSP3 funds used to purchase the property to help complete the project. The Developer was issued the Notice to Proceed on January, 2013 for Stanton Crest Apartments. An Architect was procured to complete the design plan and ANDP selected a General Contractor from a number of bids submitted for the project. Once the rehabilitation on the property was completed and all code ordinances met, ANDP received the Certificate of Occupancy in December, 2013. Stanton Crest Apartments has now achieved initial 100% lease-up of all twenty-four (24) units.

NSP staff used internal resources to assist the Developer, ANDP to market the Stanton Crest Apartments by sending a press release to various newspapers, conducting radio interviews on two local stations and broadcasting a Fulton County Television (FGTV) Interview.

With this project, Fulton County NSP-3 has exceeded the required LH25 set-aside. The set-aside mandates that 25% of all NSP3 funds be used to benefit eligible households whose incomes are equal to or less than 50% of the Area Median Income (AMI). The County used 31% of its NSP3 entitlement and program income funds to meet its LH25 requirement for NSP3.

The County has received over \$564,454 in Federal NSP -3 Program Income. Overall, the county has seen a return of its invested dollars by approximately 18% of the initial award from the U.S. Department of Housing and Urban Development. With this return, the County has continually reinvested these funds into its community.

Below is the status report for 3rd quarter 2018.

The Stanton Crest property continues to operate positively and with stable occupancy. The last quarterly report provided to the county, the occupancy rate was at 96% with only one vacant unit. The net cash flow is in the positive. ANDP has also experienced positive feedback since changing to its current property management team, Dorchester Management, ANDP visits the site regularly and finds that the site manager does an excellent job with collections, unit turns and keeping the property grounds beautiful. In addition, ANDP reviews the property's monthly financials with the management company to identify any potential issues before they turn into problems. ANDP continues to strengthen their asset management skills by working with a consultant that is a subject-matter expert and providing training opportunities for staff through national channels such as NeighborWorks, Consortium for Housing and Asset Management, Housing Partnership Network, and Enterprise Community Partners. Dorchester is working on a preventive maintenance schedule for 2018 and 2019. Past improvements,



such as repaving the driveway to clear up drainage issues, replacement of the trash enclosure, and replacing the laundry room door with an access code entry to prevent unwanted guests have proven to be good investments. Residents can also take advantage of community activities at a HOME funded Delowe Village Apartments which ANDP also owns, and is located nearby. Residents receive the community newsletter and are able to take advantage of youth enrichment activities and other community activities (Fun Fridays, a reading program, and cooking classes). ANDP is attempting to secure funding for a resident service coordinator to access and implement more resident programs.

Currently, the County's NSP status has been dormant for the past year as management re-evaluates the program and decides whether to issue another RFP to procure a developer to resume the program. The County has approximately \$730,000 available to be used towards the acquisition and rehabilitation of additional homes for income eligible families. During this time, NSP staff is working with NSP TA to ensure the program is on target and in compliance. Also we are reviewing DRGR to clear up compliance flags, reporting concerns and other DRGR issues.

NSP staff continues to monitor this rental portfolio property with quarterly reports to ensure program compliance according with the LURAs and NSP mandates.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
NSP3 - ADMIN, General Administration	\$0.00	\$365,933.90	\$324,808.17
NSP3 - PRD, Fulton NSP3 Purchase, Rehabilitation &	\$0.00	\$3,293,405.14	\$2,764,645.88



