

Grantee: Henry County, GA

Grant: B-11-UN-13-0008

April 1, 2020 thru June 30, 2020 Performance Report

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| Grant Number: B-11-UN-13-0008 | Obligation Date: | Award Date: |
| Grantee Name: Henry County, GA | Contract End Date: 03/11/2014 | Review by HUD: Reviewed and Approved |
| Grant Award Amount: \$1,217,736.00 | Grant Status: Active | QPR Contact: Stacey Hudgens-Wallace |
| LOCCS Authorized Amount: \$1,217,736.00 | Estimated PI/RL Funds: \$2,601,834.45 | |
| Total Budget: \$3,819,570.45 | | |

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Henry County Neighborhood Stabilization Program 3 will make available all funds to Families and Individuals whose income meets Income Limits.

Henry County will use 25% of its NSP allocation (at least \$304,434.00) plus 25% of any program income received to purchase and redevelop/rehabilitation of foreclosed homes which will house individuals or families whose incomes do not exceed 50% of area median income.

1. "Soft Seconds" Henry County will utilize NSP Program funds to reduce the Sales Price to an amount affordable to a household whose income does not exceed 50% AMI
2. Down-payment Assistance (DPA) Henry County will utilize NSP Program Funds for down-payment assistance

These two financial mechanisms, Soft Seconds and DPA's will comprise the primary methods Henry County will use to purchase and redevelop abandoned and foreclosed homes for housing individuals and families whose income do not exceed 50% of AMI

How Fund Use Addresses Market Conditions:

Using the scores provided in the HUD Foreclosure Needs website, project areas were chosen with scores of 17 or greater, where supplemental data showed a high number of foreclosures within the last year and a high percentage of homes financed by high cost primary mortgages. Henry County will be obtaining land parcel specific data where foreclosures have occurred since 2009. This data will also be mapped and correlated with the Census Tracts and Census Block Groups already identified as areas of greatest need using the HUD supplied foreclosure and abandonment risk data. Henry County has had great success with the NSP 1 Program in one of the areas that we have submitted for the NSP 3 Program. We feel with the continuation of this program we will have a substantial impact in the Stockbridge area. In addressing all three areas, with these programs Henry County will continue to reverse the negative impact that foreclosures have had in our County

Ensuring Continued Affordability:

Henry County will utilize the "Recapture Method" as defined by 24 CFR 92.254 (5) (ii) through liens on each property to ensure that the homeowner cannot reap a windfall profit. All NSP Funds will be recaptured if NSP homeowners should sell their homes before the designated "Continued Affordability" expires. With the "Recaptured Method" Henry County will have adequate mechanisms in place to keep NSP assisted homes affordable throughout Henry's NSP period of affordability and to protect the County's investment in the program.

NSP3 - Affordability Period

\$1.00 - \$15,000 - 5 years

\$15,000 - \$25,000 - 10 years

Definition of Blighted Structure:

The State of Georgia defines "Blighted Structure" in House Bill 1313, Section 3, Title 22 of the Official Code of Georgia Annotated as: 'Blighted property', 'blighted', or 'blight' means any urbanized or developed property which:

- (A) Presents two or more of the following conditions:

- (1) Uninhabitable, unsafe, or abandoned structures;
- (2) Inadequate provisions for ventilation, light, air, or sanitation
- (3) An imminent harm to life of 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; 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;
A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare
(4) 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;
(5) Repeated illegal activity on the individual property of which the property owner knew or should have known; or
(6) The maintenance of the property is below state, county, or municipal codes for at least one year after notice of the code violation; and
Is conducive to ill health, transmission of disease, infant mortality, or crime in the immediate proximity of the property

Definition of Affordable Rents:

Although Henry County does not intend to implement –will not implement- any rental housing scenarios through the NSP Program, Henry County would utilize the 2008 HUD-approved Home Program Rent limits as the standard for the definition of “Affordable Rents” for all rental housing scenarios if rental scenarios were incorporated.

Grantee Contact Information:

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Housing Rehabilitation/New Construction Standards:

The Henry County Neighborhood Stabilization Program has adopted the HOME Program Rehabilitation Standards for NSP 1 and will continue to use these standards in the implementation of NSP 3. Henry County will utilize the following rehabilitation standards that will apply to all NSP activities: The International Building Code (IRC) for one and two family dwellings-2006, along with the Georgia State Amendments for one and two family dwellings to the IRC. Henry County acknowledges that the requirements of 24 CFR Part 35 as related to lead-based paint shall apply to NSP activities.
All single and/or multifamily residential structures must meet all federal and state accessibility requirements including but not limited to those associated with the use of federal funds.

Vicinity Hiring:

Henry County will to the maximum extent feasibility, provide for hiring of employees that reside in the vicinity of NSP 3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP 3 projects.

Procedures for Preferences for Affordable Rental Dev.:

N/A

| Overall | This Report Period | To Date |
|---|--------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$3,240,451.96 |
| Total Budget | \$0.00 | \$3,240,451.96 |
| Total Obligated | \$0.00 | \$3,240,451.96 |
| Total Funds Drawdown | \$0.00 | \$2,888,579.37 |
| Program Funds Drawdown | \$0.00 | \$1,217,736.00 |
| Program Income Drawdown | \$0.00 | \$1,670,843.37 |
| Program Income Received | \$0.00 | \$2,079,863.48 |
| Total Funds Expended | \$0.00 | \$2,888,579.37 |
| 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 | \$182,660.40 | \$0.00 |
| Limit on Admin/Planning | \$121,773.60 | \$39,444.30 |
| Limit on Admin | \$0.00 | \$39,444.30 |
| Most Impacted and Distressed Threshold (Projected) | \$0.00 | \$0.00 |
| Progress towards LH25 Requirement | \$954,892.61 | \$524,692.87 |

Overall Progress Narrative:

Nothing has changed since the last submission QPR submitted. The staff is currently working on developing a close out plan. Staff intends to close out HUD NSP3 by 12/31/2022 with three years to meet the LH25 goal by 2025.

Project Summary

| Project #, Project Title | This Report | To Date | |
|-------------------------------|------------------------|------------------------|------------------------|
| | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| NSP3-001, LMMI | \$0.00 | \$2,773,110.07 | \$886,515.48 |
| NSP3-002, LH25 | \$0.00 | \$734,776.78 | \$291,776.22 |
| NSP3-003, Administration Cost | \$0.00 | \$200,679.05 | \$39,444.30 |

