

Grantee: Palm Bay, FL

Grant: B-11-MN-12-0021

April 1, 2021 thru June 30, 2021 Performance Report

Grant Number:

B-11-MN-12-0021

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

Palm Bay, FL

Contract End Date:

03/10/2014

Review by HUD:

Reviewed and Approved

Grant Award Amount:

\$1,764,032.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

LOCCS Authorized Amount:

\$1,764,032.00

Estimated PI/RL Funds:

\$788,863.45

Total Budget:

\$2,552,895.45

Disasters:

Declaration Number

No Disasters Found

Narratives

Summary of Distribution and Uses of NSP Funds:

The City acquired 45 homes in the NSP 1 program. Of those, we have 16 that will not be rehabilitated until such time as Program Income starts coming in. To expedite getting these homes into the hands of eligible buyers and to more quickly address the stabilization of the impacted areas, this activity will fund the rehab of next group of 11 homes. Upon sale, the program income will be split between the NSP1 and NSP3 programs in accordance with the percentage of the total cost contributed by each.

Project #1 concentrates on homeownership. Properties will be sold with a 15 year affordability period, no interest, secured by a soft second mortgage with no payments due as long as the homebuyer does not default. To the fullest extent practicable, the City will make use of local contractors. Since this is a continuation of the NSP1 program, it does not include a rental component.

Project #2 concentrates in the Northern portion of the City, where foreclosed properties will be acquired and rehabilitated for resale to eligible homebuyers.

This Project #2 concentrates on homeownership. Properties will be sold with a 15 year affordability period, no interest, secured by a soft second mortgage with no payments due as long as the homebuyer does not default. To the fullest extent practicable, the City will make use of local contractors. Limited available funds were not conducive to including a rental component in the strategy.

As for a rental strategy, there is not enough money allocated to the program to make rental an option. This was stated in the Substantial Amendment. Be assured that there is NOT a shortage of rental properties in the City of Palm Bay. With the sheer number of foreclosed properties available, private investors are seeing the goldmine available. They are buying properties (following our example as well as, using good business judgment). They are making the homes habitable and then renting them. The local economy is dictating that the rents must be affordable. In recognition of the interest of private investors in rental properties, it was determined that the best use of the limited NSP III funds was toward home ownership.

How Fund Use Addresses Market Conditions:

Areas of greatest need include the city limits of Palm Bay. The NSP1 properties left for rehabilitation are scattered throughout this area. In most cases, the properties were acquired due to their location more negatively impacting the neighborhoods. Project #1 and #2 will address acquisition, rehabilitation and resale of these properties.

Ensuring Continued Affordability:

Target will be realized upon the sale of the properties to income eligible individuals. In all cases, the homes will be sold such that the resulting mortgage payments do not exceed 30% of the monthly gross income of the buyer. On a case by case basis, it may be necessary to adjust the actual sale price to correspond to this affordable mortgage. At no time will the adjustment exceed \$50,000 or 50% of the total investment in acquiring and rehabilitating the property. The sales will be continuously monitored and at anytime that it appears that we are not progressing toward this goal, we will give priority to those eligible applicants that fall into the low-income category.

Definition of Blighted Structure:

The City Code of Ordinances 97.15 paragraphs 2a-1 and 3a-e will be used as indicators of blighted structures.



Definition of Affordable Rents:

The City has defined affordable rents as that which does not exceed 30% of the median adjusted gross income for the household size. The City does not propose to have any rental properties based on the planned activities.

Housing Rehabilitation/New Construction Standards:

The City will use the Rehabilitation standards that have proven a success under the NSP 1 program. We will provide all code required repairs, but not stop there. We will provide to the maximum extent practicable energy upgrades and environmentally friendly improvements. These will include but not be limited to ENERGY STAR appliances, low VOC paints and sealants, rain barrels, pervious pavements, light colored exterior paints, Seer 15 HVAC system, insulation improvements,, etc. At no time do we envision needing to completely gut an acquired property.

Vicinity Hiring:

To the fullest extent practicable, the City will make use of local contractors.

Procedures for Preferences for Affordable Rental Dev.:

N/A.

Grantee Contact Information:

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Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$2,552,895.45
Total Budget	\$0.00	\$2,552,895.45
Total Obligated	\$0.00	\$2,368,549.06
Total Funds Drawdown	\$0.00	\$2,316,563.06
Program Funds Drawdown	\$0.00	\$1,605,691.05
Program Income Drawdown	\$0.00	\$710,872.01
Program Income Received	\$0.00	\$710,872.01
Total Funds Expended	\$0.00	\$2,403,041.54
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
City of Palm Bay2	\$ 0.00	\$ 2,403,041.54

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$.00
Overall Benefit Amount	\$2,324,259.80	\$.00	\$.00
Limit on Public Services	\$264,604.80	\$.00	\$.00
Limit on Admin/Planning	\$176,403.20	\$228,403.20	\$176,417.20
Limit on Admin	\$.00	\$228,403.20	\$176,417.20
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$638,223.86		\$441,057.00



Overall Progress Narrative:

The new staff continues to review files of applicants assisted with NSP funds and work with finance to ensure accuracy of information in DRGR. Once the reconciliation and file reviews are complete the staff will update the information in DRGR. No changes have occurred during this reporting period.

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
Project #1, Expedited Rehabilitation of NSP 1 Properties	\$0.00	\$800,000.00	\$743,917.88
Project #2, NSP# Acquisition and Rehabilitation of Homes	\$0.00	\$1,524,492.25	\$685,355.97
Project #3, Program Planning and Administration	\$0.00	\$228,403.20	\$176,417.20

