

Grantee: Sanford, FL

Grant: B-11-MN-12-0035

July 1, 2021 thru September 30, 2021 Performance

Grant Number: B-11-MN-12-0035	Obligation Date:	Award Date:
Grantee Name: Sanford, FL	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$1,037,697.00	Grant Status: Active	QPR Contact: Andrew Thomas
LOCCS Authorized Amount: \$1,037,697.00	Estimated PI/RL Funds: \$60,000.00	
Total Budget: \$1,097,697.00		

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

The NSP-3 funds will be used for acquisition, rehabilitation, resale, demolition, homeownership counseling and administration of the program.

The City of Sanford will acquire, rehabilitate twelve (12) foreclosed scattered site single-family units in the target area.

Amendment to Number of Units Available to Low-income homeowners for purchase and rentals

Four (4) of the units will be resold to LMMI homebuyers utilizing the program model identified in the HUD Resource Toolkit.

Four (4) of the units will be sold to low-income households below 50% of area median income.

Four (4) of the scattered site single family properties will be set-aside as long-term rentals for low-income households below 50% of area median income.

Amendment to Demolition Performance Measures

Demolition: Funds will be used for demolition of three (3) blighted and or abandoned structures in the target area. (The number of structures to be demolished is being reduced from 10 to three (3) based on an analysis of available vacant and abandoned structures in the target area.)

Homeownership Counseling: Funds will be used to contract with a housing counseling agency to provide HUD approved "Homeownership Counseling" and qualifying perspective homebuyers.

Homeownership Financial Assistance: if it determined that financial assistance is necessary for some homeowners, the program will allow for upto \$5,000 in financial assistance as a soft mortgage or grant.

Administration: NSP funds will be used to pay reasonable program administrative costs related to the planning, implementation and monitoring of the program.

Amendment to Budget to add cost of Home Inspector

Home Inspections: Funds will be used to contract with independent contractor to conduct home inspections and monitor rehabilitation work progress. The City of Sanford does not have a building inspector on staff available to perform this function.

Amendment to Budget to include Program Income: It is anticipated the program will generate approximately \$60,000 in program income from the sale of 4 units.

How Fund Use Addresses Market Conditions:

Consistent with the requirements of Section 2301 (c) (2) of the HERA Act, as amended by the Recovery Act and the Dodd-Frank Act, the funds will be utilized in the area of greatest need to stabilize the neighborhood whose viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandon. The area of greatest need selected in the City of Sanford represents approximately 1075 housing units with an index score of 20; a percentage rate of 23.48 properties with delinquent mortgages; 6.2% of the properties have foreclosures started within the last year the highest in the City of Sanford; and a high number of vacant and properties with no data available. The selected area of greatest need (AGN) falls within the City's CDBG and Community Redevelopment Agency (CRA) target area where considerable investment efforts are underway to revitalize the area, i.e. the construction of a new 75,000 square foot public safety complex and approximately \$1.1 million of streetscapping and drainage and other infrastructure improvements. The area has two top rated schools with an excellent reputation. Both schools received a rating of 8 out of a possible 10 score and is highly desirable. The neighborhood is attractive for families with school age children. The AGN has affordable well built 2-4 bedroom single family foreclosed properties ranging from 800 - 1400 square feet and the price ranging from \$50,000 - \$100,000. We estimate we should be able to acquire, rehab, maintain and resell decent, energy efficient housing units in the area for \$60,000 - \$65,000 per unit. Given the size of the AGN it was determined to make a significant impact on the area twelve (12) foreclosed properties would need to be acquired and resold; and an additional ten (10) vacant and blighted units would be demolished. Upon further analysis the City of Sanford is proposing to amend its determination of Area of Greatest Need by expanding it to include all of census tracts 0203.02 (Pinehurst Neighborhood) and a portion of 0209.01 (Dreamworld Neighborhood). The data to substantiate this proposed Area increase is described below. Based on a August 28, 2012 review



of the MLS Foreclosed Inventory report it was discovered that in the original target area there were 2 foreclosed properties available. At the same time in the Dreamwold and Pinehurst Neighborhoods there were five (5) available properties. Amendment To Area of Greatest Need Based on the data from REO and MLS Inventory of foreclosures and Citizenserve, we knew there were approximately 300 - 500 foreclosed properties in the City of Sanford and approximately 1,200 - 1,500 properties in the pre-foreclosure stage. Although the number of foreclosed properties in the City of Sanford remained constant the location of the properties shifted slightly within the the same census tracts but different neighborhoods. The new neighborhoods are adjacent to the original neighborhoods. Also, due to the slump in prices many houses are being acquired by private investors at the asking price, making it even more difficult to acquire the properties at a 1% discount. Thus the amended AGN is not a different area, but rather an expansion of the original area to include more neighborhoods to increase the number of available foreclosed properties to reach the stated goal of acquiring, rehabilitating and resale of twelve single family foreclosed properties a

How Fund Use Addresses Market Conditions:

and demolition of ten (10) blighted vacant structures. The HUD NSP Tracking Map was used to determine the 20% impact requirement. However the data in the tracking Map was not updated and not reflective of the actual foreclosure activity in the area. Based on the data for the period July 2009 - June 2010 the number of properties needed to be acquired to make an impact in the target area (205 of REO in the past year) equal 19. Consequently the amendment is based on current property availability in the

Ensuring Continued Affordability:

NSP assisted units will meet the affordability requirements for the applicable specified period, beginning after project completion. Affordability will apply regardless of the term of any loan or mortgage or transfer of ownership. For both rentals and home sale units, the City of Sanford will include appropriate language in the developer subgrant, Development Order and restrictions on deeds and mortgages to ensure the long term affordability of the units. The language and length of restrictions will be consistent with periods specified under NSP program as follows:

NSP Funds Per Unit	Minimum Years of Affordability
Less than \$15,000 NSP Funds	5 Years
\$15,000 - \$40,000 NSP Funds/Unit	10 Years
Greater than \$40,000 NSP Funds/Unit	15 Years

New construction or acquisition of newly constructed housing 20 Years (There are no plans for new construction) During the affordability period homebuyers will be required to occupy the unit as their principal residency; and if the unit is sold to a non eligible homebuyer, the homeowner will be required to repay NSP funds due according to the terms of the note and or mortgage.

Definition of Blighted Structure:

A blighted structure is one which exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human safety and/or public welfare. The City of Sanford adopted the International Property Maintenance Code: Nuisances, and Condemnation and Demolition to determine whether a structure is an imminent danger warranting condemnation and demolition.

Definition of Affordable Rents:

Affordability is defined as a household paying no more than 30% of its annual income on housing. Affordable rents are defined as and shall not exceed the Fair Market Rents (FMR) published annually by HUD for the Florida Metropolitan Statistical Area (MSA) which includes the counties of Lake, Orange, Osceola and Seminole.

The FMR for the MSA are as follows

Number of Bedrooms	1	2	3	4
Fair Market Rents	\$795	\$865	\$988	\$1,456

To be consistent with affordable Rents guidelines currently in Seminole County, the City of Sanford will adopt the definition utilized by Seminole County.

1. The units set-aside for low income households (households not exceeding 50% of the area income); rents will not exceed 65% of the FMR, less utilities allowance.
2. The units set-aside for moderate income households, rents will not exceed 80% of the FMR less utilities allowance.
3. The units set-aside for extremely low income households (households with income not exceeding 30% of the area median income), rents will not exceed 75% of the established current low HOME Rent as applicable to the HOME program less utilities allowance.

Housing Rehabilitation/New Construction Standards:

The City of Sanford has a Residential Building Code adopted by the City Commission; a copy of the Code is available on the City website at www.sanfordfl.gov. To ensure all NSP units are in compliance with NSP rehabilitation guidelines, i.e. Energy Efficient and Environmentally Friendly and Green Elements, the City of Sanford will also use the Energy Star standards and Green Housing Development Guide to make the units as energy efficient as possible. For houses built prior to January 1, 1978, all rehabilitation will comply with HUD lead-based paint risk assessment rule (24 CFR Part 35 and 24 CFR Section 570.608).

Vicinity Hiring:

The City of Sanford will be contracting with local businesses and organizations as partners in the delivery of the stipulated NSP-3 program services. When practical and feasible the City will contract with local small businesses with the capacity to deliver required services. To ensure that employment and other economic opportunity generated by NSP-3 funds benefit low and very low income persons, the City of Sanford and all subgrantees will, to the extent feasible and consistent with existing Federal, State and local laws and regulations, seek to hire low and very low income persons from the target area to fill positions that become available as a result of NSP-3 funded projects.

Procedures for Preferences for Affordable Rental Dev.:

Four (4) of the twelve (12) foreclosure properties to be acquired and rehabilitated with NSP-3 funds will be set-aside for long-term affordable rental units. The City of Sanford through a RFQ process will identify a non-profit housing development and management organization to own and manage the properties. The deeds to the properties will contain restrictive language to ensure the long-term availability and affordability of the units.

Grantee Contact Information:

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Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$1,037,697.00
Total Budget	\$0.00	\$1,037,697.00
Total Obligated	\$0.00	\$1,037,697.00
Total Funds Drawdown	\$0.00	\$1,037,684.00
Program Funds Drawdown	\$0.00	\$1,037,684.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$99,871.74
Total Funds Expended	\$0.00	\$1,110,336.51
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 Sanford1	\$ 0.00	\$ 206,822.26
City of Sanford2	\$ 0.00	\$ 19,060.00
Habitat for Humanity of Seminole and Greater Apopka	\$ 0.00	\$ 305,433.95
Miller Construction Services LLC	\$ 0.00	\$ 579,020.30

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	\$1,004,546.84	\$.00	\$.00
Limit on Public Services	\$155,654.55	\$10,720.00	\$10,720.00
Limit on Admin/Planning	\$103,769.70	\$93,049.70	\$93,036.70
Limit on Admin	\$.00	\$93,049.70	\$93,036.70
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$274,424.25		\$313,608.95

Overall Progress Narrative:

There were no accomplishments to report this quarter. All accomplishments will be reported in the second quarter of PY 2021

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
11NSPA, Program Administration	\$0.00	\$103,769.70	\$103,756.70
11NSPD, Demolition	\$0.00	\$22,603.05	\$22,603.05
11NSPQ, Acquisition and Rehabilitation	\$0.00	\$597,715.30	\$597,715.30



11NSPS, Set Aside	\$0.00	\$313,608.95	\$313,608.95
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

