

Grantee: Riverside, CA

Grant: B-08-MN-06-0519

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-06-0519

Grantee Name:

Riverside, CA

Grant Amount:

\$6,581,916.00

Grant Status:

Active

QPR Contact:

Elliot Olaniyan

Obligation Date:

03/06/2009

Award Date:

03/03/2009

Contract End Date:

03/03/2013

Review by HUD:

Reviewed and Approved

Disasters:**Declaration Number**

NSP

Narratives**Areas of Greatest Need:****Distribution and and Uses of Funds:****Definitions and Descriptions:****Low Income Targeting:****Acquisition and Relocation:****Public Comment:****Overall****Total Projected Budget from All Sources****Total CDBG Program Funds Budgeted****Program Funds Drawdown****Program Funds Obligated****Program Funds Expended****This Report Period**

N/A

N/A

\$1,266,692.89

\$1,130,166.26

\$2,076,602.55

To Date

\$6,581,916.00

\$6,581,916.00

\$1,266,692.89

\$1,878,316.76

\$2,208,240.55

Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$987,287.40	\$0.00
Limit on Admin/Planning	\$658,191.60	\$131,638.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,645,479.00	\$1,900,000.00

Overall Progress Narrative:

Riverside Neighborhood Stabilization Program (NSP) is well underway. NSP has provided a viable vehicle in addressing the impacts of the housing crisis on Riverside. Although current economic indicators for the region show the rate of foreclosure as declining, continued threats still remain. Banks are ramping up efforts to modify trouble mortgages; however, the unemployment rate for Riverside County is nearing 15% (as of September 2009) increasing the probability of more foreclosures. The level of competition amongst the various classes of buyers which include owner-occupants and investors has forced the City to primarily rely on the National Community Stabilization Trust (Trust), a national non-profit bridging the gap between local municipalities with NSP funds and lenders. However, it's anticipated that an additional wave of foreclosures will hit the market in the near future as mortgage rates continue to adjust. If history serves as any indication, Riverside will see a significant number of new foreclosures. For this reason, the City applied for the second round of NSP (NSP 2) funding. To date, the City has evaluated 589 residential properties. Approximately four-fifths of these units were either outside the eligible NSP 1 target areas or were simply unavailable. The remaining 132 properties represented true acquisition candidates. The City has successfully acquired 32 properties through the combined use of NSP and Redevelopment Housing Funds. Three of these properties have completed rehabilitation and two are in escrow to be sold to income-qualified first &ndashtime homebuyers. The remainder of the homes are in various stages of inspection and rehabilitation. To date, the City has committed \$3,614,653.16 (or 55%) of its NSP 1 allocation.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition and Rehab	\$1,096,178.54	\$0.00	\$1,096,178.54

3, Acquisition and Demolition	\$38,876.35	\$0.00	\$38,876.35
4, Administration	\$131,638.00	\$0.00	\$131,638.00
5, Homeownership Assistance	\$0.00	\$6,581,916.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	NSP-1
Activity Title:	Acquisition, Rehab and Resale to Qualified Buyers

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

01/01/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Rehab

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Riverside

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$3,653,708.81
Total CDBG Program Funds Budgeted	N/A	\$3,653,708.81
Program Funds Drawdown	\$714,380.06	\$714,380.06
Program Funds Obligated	\$748,367.78	\$838,326.68
Program Funds Expended	\$1,408,221.81	\$1,408,221.81
City of Riverside	\$1,408,221.81	\$1,408,221.81
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

The City of Riverside will acquire and rehabilitate foreclosed, abandoned single family units and sell them to income-eligible first time homebuyers (individuals and families that have not owned real property in the previous three years). This will be done through a combination of leveraged and partnered purchase and direct purchases. The final sales price will be no greater than the initial acquisition and rehabilitation costs. All acquisitions will be for at least 15% below an appraised value determined no more than 60 days prior to the date of the offer to purchase. Income-eligible first time homebuyers shall not be earning greater than 120% AMI as defined by HUD. The table at Exhibit B shows these income limits as adjusted for family size. The prospective buyers will be required to attend both pre-acquisition HUD-certified homebuyer counseling, and post-acquisition homebuyer counseling. The principal, interest, taxes, insurance and (if applicable) homeowner association fees shall not exceed 35% of the family's adjusted gross income. A minimum 3% down payment will be required of the home-buying family. Should a gap exist between the mortgage based on the sales price and 35% of the family's income, the gap may be filled with NSP funds on a pro-rated equity share basis. The City's loan would be a junior lien; the pro-rata equity share would be based on the percent the subsidy is calculated on the after-rehab sales price. Acquisitions and rehabilitations will be both leveraged and 100% financed, depending on specific circumstances. Acquisitions will be done in small batches, grouped either geographically or by lender, depending on the negotiations for purchase. This will be Riverside's primary use of NSP funds.

Location Description:

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) are shown on Exhibit A (map) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

Activity Progress Narrative:

Residential properties acquired under this activity will be rehabilitated and sold to income-eligible first-time homebuyers. The rehabilitation of each property will encompass incorporating energy efficient and sustainable design improvements to improve the overall affordability of each home. All homes will be sold with a 55 year affordability covenant requiring resale of the homes

to other income-qualified households. Within the reporting period of July 30 - September 30, the City reviewed 85 residential properties, of which approximately 70% of those properties were not eligible under NSP. The remaining 25 properties represented actual candidates for purchase with NSP funding. The City successfully closed escrow on 4 of these homes within an additional 11 properties in escrow which are set to close within the subsequent reporting period.

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Properties	0		0/80	
# of Parcels acquired voluntarily	4		15/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		0/80	
# of Singlefamily Units	0		0/80	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/80	0/80	0
# Owner Households	0	0	0	0/0	0/80	0/80	0

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:	NSP-2c
Activity Title:	Acquisition, Rehab, Rent to Households < 50% AMI

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

01/01/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Acquisition and Rehab

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Riverside

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$1,900,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,900,000.00
Program Funds Drawdown	\$381,798.48	\$381,798.48
Program Funds Obligated	\$381,798.48	\$381,798.48
Program Funds Expended	\$668,380.74	\$668,380.74
City of Riverside	\$668,380.74	\$668,380.74
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This activity is for acquisition/rehabilitation/rental, specifically for households earning less than 50% AMI. The City will acquire foreclosed multi-family structures, and/or provide funding for non-profit special needs housing provides for acquisition/rehab to expand affordable housing opportunities in this area.

Location Description:

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

Activity Progress Narrative:

Properties acquired and rehabilitated under this activity will provide affordable rental opportunities for households earning more than 50% of the area median income. The City acquired one (1) fourplex property which has four (4) separate addresses. Title will be held long term by the Housing Authority of the City of Riverside to ensure continued affordability. Rents will not exceed 30% of the households gross income.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/17
# of Singlefamily Units	0	0/17

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/17	0/0	0/17	0
# Renter Households	0	0	0	0/17	0/0	0/17	0

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: NSP-3

Activity Title: Demolition of Acquired Properties

Activity Category:

Clearance and Demolition

Project Number:

3

Projected Start Date:

01/01/2013

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition and Demolition

Projected End Date:

07/20/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Riverside

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$370,015.59
Total CDBG Program Funds Budgeted	N/A	\$370,015.59
Program Funds Drawdown	\$38,876.35	\$38,876.35
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
City of Riverside	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

This activity is for acquisition/demolition/redevelopment of foreclosed, abandoned single family properties that would require more funds to rehabilitate than to demolish and rebuild. After consultation with the City's Building Official, a determination would be made to demolish the structure instead of attempting to rehabilitate it. The property would then be made available to non-profit housing providers to plan the redevelopment of the property as soon as feasible. Redevelopment may include sale of the property at current fair market value, or below current fair market value, or partnership with the non-profit agency. Other possible uses under this activity type might include vacant, foreclosed properties that allow for the expansion or improvement of a public facility.

Location Description:

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/3

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/3
# of Singlefamily Units	0	0/3

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/3	0/3	0

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:	NSP-5
Activity Title:	Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

4

Project Title:

Administration

Projected Start Date:

01/01/2009

Projected End Date:

07/20/2013

Benefit Type:

N/A

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

City of Riverside

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$658,191.60
Total CDBG Program Funds Budgeted	N/A	\$658,191.60
Program Funds Drawdown	\$131,638.00	\$131,638.00
Program Funds Obligated	\$0.00	\$658,191.60
Program Funds Expended	\$0.00	\$131,638.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Administration of the NSP Grant.

Location Description:

Not citywide, but properties that are within risk factors 7-10, and also properties within block groups with more than 51% of the residents earning less than 120% of AMI. See Exhibit A (map) and Exhibit G (block group list) of the City of Riverside's adopted plan at <http://www.riversideca.gov/neighborhoods/pdf/Adopted-NSP-Plan.pdf> The high priority locations are scattered throughout the City.

Activity Progress Narrative:

Administrative costs will not exceed 10% of the grant and 10% of any program income generated.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

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
