

Grantee: Lakeland, FL

Grant: B-08-MN-12-0013

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-12-0013

Obligation Date:**Grantee Name:**

Lakeland, FL

Award Date:**Grant Amount:**

\$2,005,781.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

Annie Gibson

Disasters:

Declaration Number

NSP

Plan Description:

During the prime years of the housing boom, the City of Lakeland and Polk County areas benefited from the successes of the market. But during the years following, our community has suffered from the severe housing market decline. The City of Lakeland developed the Neighborhood Stabilization Program pursuant to the Housing and Economic Recovery Act of 2008 (HERA) to concentrate in target areas of: Greatest percentage of home foreclosures; Highest percentage of homes financed by a subprime mortgage related loan; and Areas identified as the most likely to face a significant rise in the rate of home foreclosures. Based on the NSP established criteria and research completed using private and U.S. Department of Housing and Urban Development (HUD) provided resources, City of Lakeland has identified the following neighborhoods as areas of greatest need: North Lake Wire, Paul A. Diggs, Parker Street, Webster Park North and South, Gladys Leggett, Jewel Avenue and secondary neighborhoods of Robson Street, Crystal Lake and Shore Acres. These neighborhoods have foreclosure rates of 13.7% to 15.5%. The City of Lakeland will direct its efforts to this area with the NSP funds. However, after resources have been exhausted within the area of greatest need, the City of Lakeland will focus its resources on three (3) other neighborhoods. Utilizing HUD provided data regarding foreclosures, staff identified those census tract block groups which exceed or are projected to exceed the city-wide foreclosure rate of 7.9 percent. The City analyzed the data and established a minimum high cost loan rate of 35% in determining areas of greatest need. Areas identified had abandonment risk scores between three and 10 and predicted 18 month underlying foreclosure rates of 7.9 percent or higher. NSP CDBG activities will meet the low, moderate and middle income national objective of the assisted activity: Provides or improves permanent residential structures that will be occupied by a household whose income is at or below 120% of area median income (abbreviated as LMMI). NSP eligible use Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties; demolish blighted structures; land bank; redevelop demolished or vacated properties and planning and administration. CDBG Eligible Activities are found under: 24 CFR 570.201-(a) Acquisition;(b)Disposition;(i) Relocation;(n) Direct Homeownership Assistance 24 CFR 570.202(a) - Eligible rehabilitation and preservation activities for homes and other residential properties 24 CFR 570.206 - Activity delivery costs for an eligible activity 24 CFR 570.201(d)-Clearance and Demolition and 24 CFR 570.206 (a)-Planning and Administration. The City will solicit one or more Requests for Qualifications for organizations/partners to participate in the program. The City will require many partners such as, but not limited to, housing non-profits/for-profits, lenders, title companies, asset/property managers, appraisers, real estate companies, contractors (including demolition contractors), and inspection firms. The City may provide other incentives for Housing Partners to assist special needs populations, which may include the homeless, disabled, victims of domestic violence, and others, and will provide incentives for improving energy efficiency, conservation, or providing renewable energy source(s). These types of features will provide for long-term affordability and increased sustainability and attractiveness of housing and neighborhoods. Projects are anticipated to be in place from (September 28, 2008 for Admin) February, 2009 thru July 30, 2013. The City of Lakeland Neighborhood Services Division will administer the program. The contact person is R. Brian Rewis, Neighborhood Services Manager, 1104 Martin L. King, Jr. Avenue, Lakeland, Florida 33805.

Recovery Needs:

Based on the City's analysis, the neighborhoods identified as areas of greatest need meet the three requirements of HERA for the use of NSP funds. NSP funds will be used to perform the activities identified in this substantial amendment. The purpose of the distribution to the impacted areas is to stabilize the areas and provide opportunities for low to middle income households to acquire properties.

Activity 1) Acquisition and Resale of Foreclosed Properties-

Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties. The City will provide funding for approved partners to acquire the properties and the properties will be held in a non profit agency's name (to be determined) during the rehab process until sold.

Activity 2) Rehabilitation and Resale of Foreclosed Homes - The City of Lakelands NSP program will be used to rehabilitate both single-family and multi-family residential properties. The local staff will be performing these duties. Costs of rehabilitation can include labor, materials, supplies, permits, lead-based paint assessment, abatement and clearance, barrier removal, energy efficient measures, asbestos assessment and abatement, and program delivery.

Activity 3) Demolition of Acquired Foreclosed Homes and/or Blighted Structures - Housing units acquired through the City's program that are not economically feasible to be rehabilitated, and/or pose a health/safety threat, may be demolished.

Activity 4) Land Banking of Foreclosed Properties -

Establish land banks for homes that have been foreclosed upon.

Land banking and subsequent redevelopment of the demolished or vacant property will be for households at or below 120% AMI. Accounts will be set up for lot maintenance for a maximum of 10 years.

Activity 5) Redevelop Demolished or Vacant Properties-

Redevelopment of the demolished or vacant property will be for households at or below 120% AMI. Once constructed, these homes will be made available to income eligible households. The City will acquire the services of local housing partners(to be determined) to carry out this function.

Activity 6) Planning and Administration -

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting and direct and indirect costs. All Planning and Administration activities are done by the City's staff.

The City will use the minimum affordability standards that fall under the federal HOME Investment Partnership Program.

Any NSP assisted homebuyer must receive at least eight (8) hours of homebuyer counseling from a HUD approved housing counseling agency prior to obtaining a mortgage loan. And lenders of any first mortgage loan provided to an income eligible household must comply with Treasury's guidance for non-traditional mortgages. Compliance must be documented. All loans must be at a fixed rate not to exceed a term of forty (40) years.

Budget: At least 25% of the City's allocation must benefit housing individuals and/or families of 50% and below of AMI. That amount stated in the NSP plan is \$560,000.

Acquisition -	\$780,000	12 units
Rehabilitation -	\$405,600	8 units
Demolition -	\$40,000	8 units
Land Bank -	\$80,000	4 units
Redevelopment -	\$500,000	6 units
Planning/Admin -	\$200,181	

Overall

Total Projected Budget from All Sources

Total CDBG Program Funds Budgeted

This Report Period

N/A

N/A

To Date

\$2,005,781.00

\$2,005,781.00

Program Funds Drawdown	\$8,776.58	\$8,776.58
Obligated CDBG DR Funds	\$260,181.00	\$260,181.00
Expended CDBG DR Funds	\$8,776.58	\$8,776.58
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
Minimum Overall Benefit Percentage	99.99%	0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$300,867.15	\$0.00
Limit on Admin/Planning	\$200,578.10	\$8,776.58
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The City of Lakeland Neighborhood Services Division was awarded approximately \$2 million in NSP funds. Neighborhood Services has procured two firms, Appraisal Central, Inc. and A+ Home Appraisals, Inc., to perform appraisal services for NSP transactions. On a daily basis, Staff researches various internet sources to locate properties in foreclosure and to evaluate for possible NSP acquisition. We have at least 26 homes in the different stages of the acquisition process: length of vacancy, offers being made, offers denied, offers accepted and contact of listing agents for properties. To date, three offers have been accepted by sellers with a fourth awaiting response. Two of the properties are set to close in early November. Staff is finding that the target areas with high foreclosure rates from last fall have not necessarily yielded high numbers of foreclosed properties, and will likely be submitting an amendment in the near future to the HUD regional office to seek acquisition of properties in other low income areas.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition/Resale SFR	\$0.00	\$780,000.00	\$0.00
2, Rehab/Resale SFR	\$0.00	\$405,600.00	\$0.00
3, Demo of blighted structures	\$0.00	\$40,000.00	\$0.00
4, Land Bank foreclosed Properties	\$0.00	\$80,000.00	\$0.00
5, Redevelop Demo/vacant Properties	\$0.00	\$500,000.00	\$0.00

6, Administrative Costs	\$8,776.58	\$200,181.00	\$8,776.58
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: Activity 1 - 7001.5724

Activity Title: Planning and Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

6

Project Title:

Administrative Costs

Projected Start Date:

06/01/2009

Projected End Date:

07/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Lakeland

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$200,181.00
Total CDBG Program Funds Budgeted	N/A	\$200,181.00
Program Funds Drawdown	\$8,776.58	\$8,776.58
Obligated CDBG DR Funds	\$200,181.00	\$200,181.00
Expended CDBG DR Funds	\$8,776.58	\$8,776.58
City of Lakeland	\$8,776.58	\$8,776.58
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting and direct and indirect costs.

Location Description:

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Activity Progress Narrative:

Performance Measures

No 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

Grantee Activity Number:	Activity 1 - 7816.5724
Activity Title:	Land Banking of foreclosed properties

Activity Category:

Land Banking - Acquisition (NSP Only)

Activity Status:

Under Way

Project Number:

4

Project Title:

Land Bank foreclosed Properties

Projected Start Date:

06/01/2009

Projected End Date:

07/30/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Lakeland

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$60,000.00
Total CDBG Program Funds Budgeted	N/A	\$60,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$60,000.00	\$60,000.00
Expended CDBG DR Funds	\$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:

Land banking and subsequent redevelopment of the demolished or vacant property will be for households at or below 120% AMI. Accounts will be set up for lot maintenance for a maximum of 10 years.

Location Description:

Based on the NSP established criteria and research completed using private and U.S. Department of Housing and Urban Development (HUD) provided resources, City of Lakeland has identified the following neighborhoods as areas of greatest need: North Lake Wire, Paul A. Diggs, Parker Street, Webster Park South and North, Gladys Leggett, Jewel Avenue, and secondary neighborhoods of Robson Street, Crystal Lake and Shore Acres.

Activity Progress Narrative:

Performance Measures

No 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
