

Grantee: Hemet, CA

Grant: B-08-MN-06-0508

January 1, 2011 thru March 31, 2011 Performance Report

Grant Number:

B-08-MN-06-0508

Obligation Date:**Grantee Name:**

Hemet, CA

Award Date:**Grant Amount:**

\$2,888,473.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Narratives**Areas of Greatest Need:**

The City of Hemet is located in the heart of Riverside County. Both Riverside County and San Bernardino County make up the "Inland Empire" MSA. Riverside County has 24 incorporated cities (from the 2000 Census – at least three cities have incorporated recently); San Bernardino County has 24 incorporated cities (also from the 2000 Census). Since the foreclosure crisis became newsworthy in summer of 2007, this MSA at one point was the fourth most impacted foreclosure area in the country. City staff has been tracking foreclosures for all jurisdictions in the Inland Empire since July 2007. There were a total of 49,973 properties taken all the way through the foreclosure process in the MSA from July 1, 2007 through September 30, 2008 (29,607 in Riverside County and 20,366 in San Bernardino County). In relation to all housing units (as estimated by the California Department of Finance, 2008), this represents 3.42% for the MSA (3.83% in Riverside County and 2.97% in San Bernardino County). This also corresponds to 1 in 29 homes becoming bankowned during this period. The range of impacts on a city-by-city basis is from a low of 0.36% of all housing units in the City of Indian Wells to a high of 13.05% of all housing units in the City of Perris.

Distribution and and Uses of Funds:

The City of Hemet began its needs assessment in response to the housing crisis (high number of foreclosed, vacant properties beginning to have adverse effects on neighborhoods) by identifying the census tract block groups in the City with income levels at or below 120 percent of the Area Median Income (AMI). For purposes of this Amendment, the low, moderate, and middle income areas will be noted as "LMMI". This data was provided by the U.S. Department of Housing and Urban Development (HUD) and this data can be found on the HUD web site at the following web address: http://www.huduser.org/publications/commdev/nsp_target.html. There are a total of 29 census tract block groups (CTBG) in the City and 20 or 69 percent are qualified LMMI areas. The HUD data, in addition to a breakdown of income levels by census tract block groups, also provides the following information: • Estimated foreclosure/abandonment risk score (1 to 10 with 10 being the highest risk) – Hemet's data ranged from 8 to 9; • Rate of high cost loans (2004 – 2006) – Hemet's data ranged from 23.7 percent to 45.6 percent; • Predicted 18 month underlying problem foreclosure rate – Hemet's data ranged from 8.7 percent to 12.2 percent; • Rate of housing price decline since the peak in the housing market (June 2008) – Hemet's rate is 22.9 percent; • Unemployment rate (June 2008) – Hemet's rate is 10.5 percent; and • Residential vacancy rate (June 2008) – Hemet's rate ranged from 0.7 percent to 4.2 percent. NSP funds will be used in two primary activities plus administration: 1) Acquisition/rehabilitation/resale of single family homes, and Acquisition/rehabilitation of rental multifamily units as a long term affordable rental projects and 2) Administration of the program will not exceed 10 percent of the NSP grant and 10 percent of program income, if any.

Definitions and Descriptions:**Low Income Targeting:**

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,888,473.00
Total CDBG Program Funds Budgeted	N/A	\$2,888,473.00
Program Funds Drawdown	\$0.00	\$2,237,818.99
Program Funds Obligated	\$0.00	\$2,888,473.00
Program Funds Expended	\$626,306.53	\$3,459,123.02
Match Contributed	\$0.00	\$0.00
Program Income Received	\$426,466.55	\$1,486,192.23
Program Income Drawdown	\$0.00	\$783,284.81

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	\$433,270.95	\$0.00
Limit on Admin/Planning	\$288,847.30	\$185,184.45
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	\$722,118.25	\$723,337.39

Overall Progress Narrative:

Administration:

1. Prepared and received the approval from City Council for NSP1 and NSP3 program changes to focus on properties of greatest need in the City and increase the subsidy.
2. Researched and completed NSP3 application and submitted to HUD on time.
3. Prepared HUD Best Practice narrative for NSP1 funds and attended HUD/Federal Reserve Bank event with other NSP grantees.

Acquisition/Rehabilitation/Resale

- 1. 4 Single Family Homes were acquired or are in escrow.
- 2. 7 Single Family Homes were sold to qualified home buyers.
- 3. A total of \$421,466.55 in Program Income was recaptured.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NSP-1, Acquisition/Rehabilitation	\$0.00	\$2,600,000.00	\$2,101,730.73
NSP-2, Acquisition/Demolition/Landbank/Redevelopment	\$0.00	\$0.00	\$0.00
NSP-3, Administration	\$0.00	\$288,473.00	\$136,088.26

Activities

Grantee Activity Number:	1
Activity Title:	City of Hemet

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NSP-3

Project Title:

Administration

Projected Start Date:

09/14/2009

Projected End Date:

07/30/2013

Benefit Type:

N/A

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

City of Hemet Housing Authority

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$159,842.29
Total CDBG Program Funds Budgeted	N/A	\$159,842.29
Program Funds Drawdown	\$0.00	\$7,457.55
Program Funds Obligated	\$0.00	\$159,842.29
Program Funds Expended	\$1,541.77	\$17,526.52
City of Hemet Housing Authority	\$1,541.77	\$17,526.52
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$613.92

Activity Description:

Administrative costs incurred in the management and implementation of the NSP program by City of Hemet employees.

Location Description:

N/A

Activity Progress Narrative:

Fed Ex, office supplies, weed abatement, and reimbursement for hotel re:NSP training - Invoices #7-359-60511, 7-338-08985, 3150823778, 4200, 4201, 4224, 4249, ck#134840

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

Grantee Activity Number:	2
Activity Title:	Civic Stone, Inc. Consultant Services

Activity Category:

Administration

Project Number:

NSP-3

Projected Start Date:

06/01/2009

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

03/05/2013

Completed Activity Actual End Date:

Responsible Organization:

CivicStone, Inc.

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$128,630.71
Total CDBG Program Funds Budgeted	N/A	\$128,630.71
Program Funds Drawdown	\$0.00	\$128,630.71
Program Funds Obligated	\$0.00	\$128,630.71
Program Funds Expended	\$18,144.76	\$167,709.11
CivicStone, Inc.	\$18,144.76	\$167,709.11
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$48,482.27

Activity Description:

Provide staffing and other resources as required to assist the Hemet Housing Authority (HHA) staff to perform management services related to programs created under the Neighborhood Stabilization Program (NSP) as specified in the Agreement for Consultant Services between the Hemet Housing Authority and Civic Stone, Inc.

Location Description:

N/A

Activity Progress Narrative:

Admin funds for CivicStone - Invoices #2010-121B, 2011-3

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

Grantee Activity Number:	A1
Activity Title:	ANR Industries

Activity Category:

Acquisition - general

Project Number:

NSP-1

Projected Start Date:

09/14/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition/Rehabilitation

Projected End Date:

07/30/2013

Completed Activity Actual End Date:

Responsible Organization:

ANR Industries, Inc.

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$376,329.95
Total CDBG Program Funds Budgeted	N/A	\$376,329.95
Program Funds Drawdown	\$0.00	\$376,329.95
Program Funds Obligated	\$0.00	\$376,329.95
Program Funds Expended	\$20,000.00	\$433,419.60
ANR Industries, Inc.	\$20,000.00	\$433,419.60
Match Contributed	\$0.00	\$0.00
Program Income Received	\$112,410.93	\$324,963.17
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Will be responsible for the acquisition, rehabilitation, asset management and resale of single-family residential properties to eligible homebuyers.

Location Description:

This activity will be available within the targeted areas in the City limits of Hemet.

Activity Progress Narrative:

Received Program Income for 743 N. Hemet

The following properties were not mention in the last QRP for closing cost:

- 3521 Murray Hill
- 4380 Wild Oak
- 1195 S. Thompson

ANR Industries closed escrow on the following properties:

- 743 N. Hemet
 - Homebuyer household income is 92% AMI
 - Homebuyer race/ethnicity is White
 - \$5000 for closing cost
- 710 Snowcreek
 - Homebuyer household income is 94% AMI
 - Homebuyer race/ethnicity is White

In the QPR June 1 to Sept 30, 2010 - it was stated that we had received \$100,375.24 for Wild Oaks, actually received \$95,375.24.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	2	4/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	2/6
# of Singlefamily Units	2	2/6

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	2/0	0/6	2/6	100.00
# Owner Households	2	0	2	2/0	0/6	2/6	100.00

Activity Locations

Address	City	State	Zip
743 N. Hemet	Hemet	NA	92544
710 Snowcreek	Hemet	NA	92543

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:	A2
Activity Title:	VCD Corp

Activity Category:

Acquisition - general

Project Number:

NSP-1

Projected Start Date:

09/14/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition/Rehabilitation

Projected End Date:

07/30/2013

Completed Activity Actual End Date:

Responsible Organization:

VCD Corp

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$458,517.83
Total CDBG Program Funds Budgeted	N/A	\$458,517.83
Program Funds Drawdown	\$0.00	\$458,517.83
Program Funds Obligated	\$0.00	\$458,517.83
Program Funds Expended	\$30,000.00	\$502,742.57
VCD Corp	\$30,000.00	\$502,742.57
Match Contributed	\$0.00	\$0.00
Program Income Received	\$1,380.00	\$247,001.68
Program Income Drawdown	\$0.00	\$48,959.00

Activity Description:

Will be responsible for the acquisition, rehabilitation, asset management and resale of single-family residential properties to eligible homebuyers.

Location Description:

This activity will be available within the targeted areas in the City limits of Hemet.

Activity Progress Narrative:

Received Program Income and interest(from DP) for the following properties:

\$25,000 for 1106 Griffith, \$22,367.20 for 208 S. Ramona, \$11,971.43 for 980 Leslie, \$21,259.01 for 350 N. Hemet, \$1,438.36 for Parkview - Total of \$82,036.

In the QPR dated Oct 1 to Dec 31, 2010 stated that we received \$80,656 for Belmont, not so and the difference is reflexed in the PI received box.

The following properites are for closing cost:

- 208 S. Ramona
- 1106 Griffith
- 980 Leslie
- 350 N. Hemet

The following properties were not mention in the last QRP for closing cost:

- 1920 Parkview
- 421 President

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	4	8/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	2	3/6
# of Singlefamily Units	3	3/6

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	3	0	3	4/0	0/6	4/6	100.00
# Owner Households	4	0	4	4/0	0/6	4/6	100.00

Activity Locations

Address	City	State	Zip
208 S. Ramona	Hemet	NA	92543
350 N. Hemet	Hemet	NA	92544
1106 Griffith	Hemet	NA	92543
980 Leslie	Hemet	NA	92543

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:	A3
Activity Title:	West Coast Development & DBJ Development Corp.

Activity Category:

Acquisition - general

Project Number:

NSP-1

Projected Start Date:

09/14/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition/Rehabilitation

Projected End Date:

07/30/2013

Completed Activity Actual End Date:

Responsible Organization:

West Coast Development & DBJ Development Corp.

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$591,600.95
Total CDBG Program Funds Budgeted	N/A	\$591,600.95
Program Funds Drawdown	\$0.00	\$188,510.58
Program Funds Obligated	\$0.00	\$591,600.95
Program Funds Expended	\$302,300.00	\$476,269.55
West Coast Development & DBJ Development Corp.	\$302,300.00	\$476,269.55
Match Contributed	\$0.00	\$0.00
Program Income Received	\$312,675.62	\$622,364.97
Program Income Drawdown	\$0.00	\$528,229.62

Activity Description:

Will be responsible for the acquisition, rehabilitation, asset management and resale of single-family residential properties to eligible homebuyers.

Location Description:

This activity will be available within the targeted areas in the City limits of Hemet.

Activity Progress Narrative:

Received Program Income for the following properties:

- 2881 Weymouth - \$85,974
- 883 Pinehurst - \$76,301.84
- 710 Snowcreek - 150,399.78 - also closed escrow on this property
- Homebuyer household income is 74% AMI
- Homebuyer race/ethnicity is unknown/hispanic

WCD purchase the following properties:

- Avenida Estrada - \$31,000
- Cloudywing - \$174,390
- Carnation - \$91,910

The following property received closing cost:

- 883 Pinehurst

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	4/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	7	11/6
# of Singlefamily Units	11	11/6

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	-3	0	-3	1/0	0/6	1/6	100.00
# Owner Households	1	0	1	1/0	0/6	1/6	100.00

Activity Locations

Address	City	State	Zip
4770 Swallowtail	Hemet	NA	92543

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:	A4
Activity Title:	Marana Construction

Activity Category:

Acquisition - general

Project Number:

NSP-1

Projected Start Date:

09/14/2009

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Acquisition/Rehabilitation

Projected End Date:

07/30/2013

Completed Activity Actual End Date:

Responsible Organization:

Marana Construction

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$450,213.88
Total CDBG Program Funds Budgeted	N/A	\$450,213.88
Program Funds Drawdown	\$0.00	\$450,213.88
Program Funds Obligated	\$0.00	\$450,213.88
Program Funds Expended	\$254,320.00	\$701,384.00
Marana Construction	\$254,320.00	\$701,384.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$264,341.41
Program Income Drawdown	\$0.00	\$147,000.00

Activity Description:

Will be responsible for the acquisition, rehabilitation, asset management and resale of single-family residential properties to eligible homebuyers.

Location Description:

This activity will be available within the targeted areas in the City limits of Hemet.

Activity Progress Narrative:

Marana purchased the following properties:

- Apple Blossom \$136,410
- Honeysuckle \$117,910

In the QPR Jan 1 to March 31, 2010 - shows a total drawdown of \$356,534.40 but no properties are showing. Properties corresponding to that amount are: Begonia, King, Cactus Tree and Coral

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	2	2/6

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	2/6

of Singlefamily Units

2

2/6

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	2/6	2/6	100.00

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
