

Grantee: Elk Grove, CA

Grant: B-08-MN-06-0002

January 1, 2016 thru March 31, 2016 Performance Report



Grant Number:

B-08-MN-06-0002

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

Elk Grove, CA

Contract End Date:**Review by HUD:**

Submitted - Await for Review

Grant Award Amount:

\$2,389,651.00

Grant Status:

Active

QPR Contact:

Sarah Bontrager

LOCCS Authorized Amount:

\$2,389,651.00

Estimated PI/RL Funds:

\$1,276,408.72

Total Budget:

\$3,666,059.72

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

The City used several data sources in evaluating the areas of greatest needs, including HUD data and City data on the number of bank-owned properties. Foreclosures are scattered throughout the City, with no area showing a significant concentration.

HUD provided data at the Census block group level, including home price declines since peak, unemployment rates, high cost loan rates, predicted 18-month foreclosure rates, and vacancy rates (see Appendix A). This information was used to create a foreclosure and abandonment risk score. Of the City's 41 block groups, scores ranged from 5 to 7 on a 10-point scale. This indicates that all areas of the City face roughly the same foreclosure risk.

The City compiles its own list of foreclosures, using information on bank-owned properties receiving utility billings. Bank-owned residential properties are generally considered foreclosures. The mapping of these foreclosed homes does not indicate a concentration of foreclosures in any particular area (see Appendix B). Foreclosures may be slightly more prevalent in residential areas built since 2003, but the correlation is weak and foreclosures are scattered throughout the City.

Foreclosures also have little relation to low-, moderate-, and middle-income (LMMI) areas of the City, occurring in those areas about as frequently as in the rest of the City. The LMMI areas generally have a higher concentration of rental housing, and in particular affordable rental housing, which has not suffered from foreclosure at nearly the rate of single-family homes.

Based on this data, all neighborhoods within the City are anticipated to have approximately the same risk of foreclosure and thus a similar level of need. The City's areas of greatest need encompass all areas within the City.

Distribution and Uses of Funds:

As noted in the previous section, the City's areas of greatest need include all Census block groups within the City, as all have similar foreclosure risk. Appendix B shows that home foreclosures are scattered throughout the City, with no discernible concentration in any one residential area.

High cost loan rates correlate closely to subprime loans. Subprime loans are typically high cost because of the higher risk associated with making them, while prime loans generally have more favorable terms and lower risk of defaulting. The percentage of high cost loans in Census block groups within the City (the smallest area possible to aggregate) range from 16.1 percent to 27.3 percent, with a median of 23.6 percent.

The majority of Elk Grove's housing is newer, and there is a slightly higher percentage of foreclosures in areas built since 2003 than in older areas. However, foreclosures are occurring throughout the City, and are anticipated to continue to occur throughout the City. Between 2002 and 2007, housing in Elk Grove sold very quickly and at prices much higher than current sales prices. Housing within the older areas of Elk Grove remained some of the most affordable in the Sacramento region at the time, and many subprime loans were made for housing purchases there, as well as in the newer areas of the City.

The City will distribute funds to all areas of the City, and will reevaluate foreclosure statistics on a quarterly basis to ensure that our assumptions of the similar foreclosure risk faced by all areas continue to be accurate.

Definitions and Descriptions:

"Blighted Structure" shall mean buildings or conditions causing blight as defined in California Health and Safety Code, Section 33031(a)(1) and (2).

"Affordable rents" will be defined as not more than 30 percent of household income.

To ensure continued affordability for NSP assisted housing:

The City currently ensures affordability on its affordable ownership and rental properties using deeds of trust, and will continue to use this strategy for all NSP-assisted housing. Rental housing will be required to maintain affordability for a minimum of 45



years, and ownership housing will be required to maintain affordability for the term that the owner occupies the home. For-sale housing will be required to be owner-occupied.

The City will adopt the HOME program standards at 24 CFR 92.252(a), (c), (e), and (f), and 92.254, but may make the affordability periods longer.

Housing rehabilitation standards that will apply to NSP assisted activities:

The City's housing rehabilitation standards will conform to the Uniform Building Code and any local code.

Low Income Targeting:

The City will provide a minimum of 25 percent of total NSP funding (\$597,413) to serve households with incomes not exceeding 50 percent of the area median income (currently \$35,500 for a family of four). The City plans to partner with a non-profit to own and manage a long-term affordable housing resource for very low-income individuals and/or families.

Acquisition and Relocation:

The City does not plan to demolish or convert any low- and moderate-income dwelling units. The majority of the City's low- and moderate-income units are recently built and have low vacancy, and therefore would not be good candidates for demolition or conversion.

Public Comment:

Public comment on the NSP Substantial Amendment was taken from October 28, 2008 until November 12, 2008. The City noticed the NSP Substantial Amendment online and in the local newspaper (see Attachment C). A public hearing to approve the NSP Substantial Amendment was held on November 12, 2008. No public comment was received.

| Overall | This Report Period | To Date |
|--|--------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$2,811,050.51 |
| Total Budget | (\$301,085.60) | \$2,811,050.51 |
| Total Obligated | (\$301,085.60) | \$2,811,050.51 |
| Total Funds Drawdown | \$1,836.25 | \$2,782,490.09 |
| Program Funds Drawdown | \$0.00 | \$2,322,078.16 |
| Program Income Drawdown | \$1,836.25 | \$460,411.93 |
| Program Income Received | \$34,957.50 | \$866,793.02 |
| Total Funds Expended | \$0.00 | \$2,780,653.84 |
| Match Contributed | \$0.00 | \$401,056.73 |

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 | \$401,056.73 |
| Limit on Public Services | \$358,447.65 | \$0.00 |
| Limit on Admin/Planning | \$238,965.10 | \$250,404.58 |
| Limit on State Admin | \$0.00 | \$250,404.58 |

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

| National Objective | Target | Actual |
|--------------------------------------|--------------|--------------|
| NSP Only - LH - 25% Set-Aside | \$597,412.75 | \$675,732.68 |



Overall Progress Narrative:

The City has completed all of its original NSP activities and will be making amendments to the Action Plan to accommodate a few new activities on which primarily program income will be spent.

- Total Properties: 30
- Total Single Family Resold: 13
- Total Single Family Rental: 2
- Downpayment Assistance ONLY: 15
- Total Multifamily Units: 0
- Multifamily Units Completed and Occupied: 0

Project Summary

| Project #, Project Title | This Report Period | To Date | |
|--------------------------------|------------------------|------------------------|------------------------|
| | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| 01, Acq/Rehab - VLI (B) | \$0.00 | \$675,732.68 | \$550,158.12 |
| 02, Acq/Rehab - LMMI (B) | \$0.00 | \$1,314,491.83 | \$1,012,978.94 |
| 03, Downpayment Assistance (A) | \$0.00 | \$541,861.00 | \$540,294.06 |
| Administration, Administration | \$0.00 | \$278,965.00 | \$218,647.04 |



Activities

Project # / Title: 01 / Acq/Rehab - VLI (B)

Grantee Activity Number: 01-AcqRehab-LH25

Activity Title: Acq/Rehab - VLI

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

01

Projected Start Date:

10/01/2008

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Completed

Project Title:

Acq/Rehab - VLI (B)

Projected End Date:

09/30/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Elk Grove

Overall

Total Projected Budget from All Sources

Jan 1 thru Mar 31, 2016

N/A

To Date

\$675,732.68

Total Budget

(\$172,051.49)

\$675,732.68

Total Obligated

(\$172,051.49)

\$675,732.68

Total Funds Drawdown

\$0.00

\$675,732.68

Program Funds Drawdown

\$0.00

\$550,158.12

Program Income Drawdown

\$0.00

\$125,574.56

Program Income Received

\$0.00

\$186,147.80

Total Funds Expended

\$0.00

\$675,732.68

City of Elk Grove

\$0.00

\$675,732.68

Match Contributed

\$0.00

\$0.00

Activity Description:

The acquisition and rehabilitation program will provide funding to an eligible developer to purchase and rehabilitate homes or residential properties that will be sold to very low-income households. Funds for this component will meet the very low-income housing requirement for those below 50 percent of the area median income.

For the two rental units, the City will work with one or more nonprofits interested in purchasing and managing two condo units within the City.

Location Description:

Owner units: 8728 Elk Way; 9472 Queensbury Court; 9578 Jan Marie Way; and 9313 Aizenberg Circle; 2 units to be purchased within City of Elk Grove

Renter units: 9532 Emerald Park Drive #3; 9508 Emerald Park Drive #4



Activity Progress Narrative:

This activity is complete.

Accomplishments Performance Measures

| | This Report Period | Cumulative Actual Total / Expected |
|------------------------------------|--------------------|------------------------------------|
| | Total | Total |
| # of Properties | 0 | 6/8 |
| #Energy Star Replacement | 0 | 26/24 |
| #Efficient AC added/replaced | 0 | 5/4 |
| #Replaced thermostats | 0 | 2/6 |
| #Replaced hot water heaters | 0 | 3/5 |
| #Light Fixtures (indoors) replaced | 0 | 41/2 |
| #Light fixtures (outdoors) | 0 | 8/12 |
| #Refrigerators replaced | 0 | 0/0 |
| #Clothes washers replaced | 0 | 0/0 |
| #Dishwashers replaced | 0 | 3/4 |
| #Low flow toilets | 0 | 8/7 |
| #Low flow showerheads | 0 | 9/10 |
| # ELI Households (0-30% AMI) | 0 | 4/0 |

| | This Report Period | Cumulative Actual Total / Expected |
|-------------------------|--------------------|------------------------------------|
| | Total | Total |
| # of Housing Units | 0 | 6/8 |
| # of Singlefamily Units | 0 | 6/8 |

Beneficiaries Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | | |
|---------------------|--------------------|-----|-------|------------------------------------|-----|-------|---------|
| | Low | Mod | Total | Low | Mod | Total | Low/Mod |
| # of Households | 0 | 0 | 0 | 8/8 | 0/0 | 8/8 | 100.00 |
| # Owner Households | 0 | 0 | 0 | 4/6 | 0/0 | 4/6 | 100.00 |
| # Renter Households | 0 | 0 | 0 | 4/2 | 0/0 | 4/2 | 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 | |



Project # / Title: 02 / Acq/Rehab - LMMI (B)

Grantee Activity Number: 02.1-AcqRehab-LMMI-HBT

Activity Title: LMMI Acq/Rehab - Homes by Towne

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Completed

Project Number:

02

Project Title:

Acq/Rehab - LMMI (B)

Projected Start Date:

05/01/2009

Projected End Date:

09/30/2012

Benefit Type:

Direct (HouseHold)

Completed Activity Actual End Date:

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Elk Grove

| Overall | Jan 1 thru Mar 31, 2016 | To Date |
|--|--------------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$438,924.69 |
| Total Budget | \$0.00 | \$438,924.69 |
| Total Obligated | \$0.00 | \$438,924.69 |
| Total Funds Drawdown | \$0.00 | \$438,924.69 |
| Program Funds Drawdown | \$0.00 | \$264,122.40 |
| Program Income Drawdown | \$0.00 | \$174,802.29 |
| Program Income Received | \$0.00 | \$188,394.09 |
| Total Funds Expended | \$0.00 | \$438,924.69 |
| City of Elk Grove | \$0.00 | \$438,924.69 |
| Match Contributed | \$0.00 | \$162,281.60 |

Activity Description:

In order to prevent further blight and decline in housing values, the City will purchase or assist in the purchase of residential properties that have not been occupied. These properties will have been either foreclosed upon or abandoned. Properties may include foreclosed homes requiring substantial rehabilitation, half-built homes abandoned by developers, and build-ready lots. The City will redevelop these properties as housing. The City may demolish existing improvements or structures on these properties subsequent to purchase and prior to redevelopment, as necessary.

Location Description:

9309 Quintanna Court, 9477 Laguna Pointe Way, and 9416 Ivydale Circle

Activity Progress Narrative:

This activity is complete.

Please note: For this report only, some edits were made to clarify outcomes, for which some income levels were incorrectly reported previously. The one middle-income household assisted was recorded by a -1 in the moderate-income category.



Accomplishments Performance Measures

| | This Report Period | Cumulative Actual Total / Expected |
|------------------------------------|--------------------|------------------------------------|
| | Total | Total |
| # of Properties | 0 | 3/3 |
| #Energy Star Replacement | 0 | 1/1 |
| #Efficient AC added/replaced | 0 | 2/1 |
| #Replaced hot water heaters | 0 | 1/1 |
| #Light Fixtures (indoors) replaced | 0 | 22/1 |
| #Light fixtures (outdoors) | 0 | 8/1 |
| #Refrigerators replaced | 0 | 0/1 |
| #Clothes washers replaced | 0 | 0/1 |
| #Dishwashers replaced | 0 | 2/1 |
| #Low flow toilets | 0 | 2/1 |
| #Low flow showerheads | 0 | 4/1 |

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

Beneficiaries Performance Measures

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

Grantee Activity Number: 02.2-AcqRehab-LMMI-NWORKS

Activity Title: LMMI Acq/Rehab - NeighborWorks

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

02

Projected Start Date:

03/01/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Completed

Project Title:

Acq/Rehab - LMMI (B)

Projected End Date:

12/31/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Elk Grove

Overall

| | Jan 1 thru Mar 31, 2016 | To Date |
|--|--------------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$875,567.14 |
| Total Budget | (\$129,034.11) | \$875,567.14 |
| Total Obligated | (\$129,034.11) | \$875,567.14 |
| Total Funds Drawdown | \$0.00 | \$875,567.14 |
| Program Funds Drawdown | \$0.00 | \$748,856.54 |
| Program Income Drawdown | \$0.00 | \$126,710.60 |
| Program Income Received | \$0.00 | \$341,421.32 |
| Total Funds Expended | \$0.00 | \$875,567.14 |
| City of Elk Grove | \$0.00 | \$875,567.14 |
| Match Contributed | \$0.00 | \$238,775.13 |

Activity Description:

In order to prevent further blight and decline in housing values, the City will purchase or assist in the purchase of residential properties that have not been occupied. These properties will have been either foreclosed upon or abandoned. Properties may include foreclosed homes requiring substantial rehabilitation, half-built homes abandoned by developers, and build-ready lots. The City will redevelop these properties as housing. The City may demolish existing improvements or structures on these properties subsequent to purchase and prior to redevelopment, as necessary.

Location Description:

9557 Dunkerrin Way, 9332 Barth Street, 5045 Felicia Way, 8629 Lujan Crest Court, 8712 Los Banos Way, and 9339 Mark Street.

Activity Progress Narrative:

This activity is complete.

Please note: For this report only, some edits were made to clarify outcomes, for which some income levels were incorrectly reported previously. The one middle-income household assisted was recorded by a -1 in the low-income category.



Accomplishments Performance Measures

| | This Report Period | | Cumulative Actual Total / Expected | |
|------------------------------------|--------------------|--|------------------------------------|--|
| | Total | | Total | |
| # of Properties | 0 | | 6/6 | |
| #Energy Star Replacement | 0 | | 16/24 | |
| #Efficient AC added/replaced | 0 | | 6/3 | |
| #Replaced thermostats | 0 | | 1/3 | |
| #Replaced hot water heaters | 0 | | 5/3 | |
| #Light Fixtures (indoors) replaced | 0 | | 64/20 | |
| #Light fixtures (outdoors) | 0 | | 10/14 | |
| #Refrigerators replaced | 0 | | 0/0 | |
| #Clothes washers replaced | 0 | | 0/0 | |
| #Dishwashers replaced | 0 | | 1/3 | |
| #Low flow toilets | 0 | | 13/9 | |
| #Low flow showerheads | 0 | | 6/8 | |
| # ELI Households (0-30% AMI) | 0 | | 1/0 | |

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

Beneficiaries Performance Measures

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



Project # / Title: 03 / Downpayment Assistance (A)

Grantee Activity Number: 03-DAP

Activity Title: Downpayment Assistance

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

03

Projected Start Date:

10/01/2008

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Completed

Project Title:

Downpayment Assistance (A)

Projected End Date:

07/30/2010

Completed Activity Actual End Date:

Responsible Organization:

City of Elk Grove

| Overall | Jan 1 thru Mar 31, 2016 | To Date |
|--|-------------------------|--------------|
| Total Projected Budget from All Sources | N/A | \$541,861.00 |
| Total Budget | \$0.00 | \$541,861.00 |
| Total Obligated | \$0.00 | \$541,861.00 |
| Total Funds Drawdown | \$0.00 | \$541,861.00 |
| Program Funds Drawdown | \$0.00 | \$540,294.06 |
| Program Income Drawdown | \$0.00 | \$1,566.94 |
| Program Income Received | \$34,957.50 | \$150,829.81 |
| Total Funds Expended | \$0.00 | \$541,861.00 |
| City of Elk Grove | \$0.00 | \$541,861.00 |
| Match Contributed | \$0.00 | \$0.00 |

Activity Description:

The downpayment assistance program will provide low-interest silent second loans primarily to moderate- and middle-income households. Eligible households will be those not having owned a home in the previous three years and purchasing a foreclosed home with the City.

Location Description:

City-wide.

Activity Progress Narrative:

This activity is complete.

Please note: For this report, a negative number of households is shown in the low-income and moderate-income categories. This reflects changes made to report correct income levels. Overall, the City did 15 DAP loans, 6 to moderate-income households and 9 to middle-income households.



Accomplishments Performance Measures

| | This Report Period | | Cumulative Actual Total / Expected | |
|-------------------------|--------------------|--|------------------------------------|--|
| | Total | | Total | |
| # of Housing Units | 0 | | 15/15 | |
| # of Singlefamily Units | 0 | | 15/15 | |

Beneficiaries Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | | | |
|--------------------|--------------------|-----|-------|------------------------------------|------|-------|---------|--|
| | Low | Mod | Total | Low | Mod | Total | Low/Mod | |
| # of Households | -7 | -2 | 0 | 0/5 | 6/10 | 15/15 | 40.00 | |
| # Owner Households | -7 | -2 | 0 | 0/5 | 6/10 | 15/15 | 40.00 | |

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 | |

Project # / Title: Administration / Administration

Grantee Activity Number: 00-Admin
Activity Title: Administration

Activity Category:

Administration

Project Number:

Administration

Projected Start Date:

10/01/2008

Benefit Type:

()

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

12/31/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Elk Grove

Overall

Total Projected Budget from All Sources

Jan 1 thru Mar 31, 2016

N/A

To Date

\$278,965.00



| | | |
|--------------------------------|------------|--------------|
| Total Budget | \$0.00 | \$278,965.00 |
| Total Obligated | \$0.00 | \$278,965.00 |
| Total Funds Drawdown | \$1,836.25 | \$250,404.58 |
| Program Funds Drawdown | \$0.00 | \$218,647.04 |
| Program Income Drawdown | \$1,836.25 | \$31,757.54 |
| Program Income Received | \$0.00 | \$0.00 |
| Total Funds Expended | \$0.00 | \$248,568.33 |
| City of Elk Grove | \$0.00 | \$248,568.33 |
| Match Contributed | \$0.00 | \$0.00 |

Activity Description:

Administrative costs of the NSP local program.

Location Description:

Citywide

Activity Progress Narrative:

The City continues to evaluate ways to expend its grant program income. In this quarter the City adopted some changes to its NSP Action Plan in order to add new activities that will be a good fit for expending program income.

Accomplishments Performance Measures

No Accomplishments Performance Measures

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 | |

