

**Grantee: Elk Grove, CA**

**Grant: B-08-MN-06-0002**

**April 1, 2010 thru June 30, 2010 Performance Report**

**Grant Number:**

B-08-MN-06-0002

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

Elk Grove, CA

**Award Date:****Grant Amount:**

\$2,389,651.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**QPR Contact:**

Sarah Bontrager

**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****This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$2,389,651.00

**Total CDBG Program Funds Budgeted**

N/A

\$2,389,651.00

**Program Funds Drawdown**

\$273,631.35

\$517,207.91

**Program Funds Obligated**

\$430,509.62

\$1,222,747.62

**Program Funds Expended**

\$0.00

\$233,398.88

<b>Match Contributed</b>	\$401,056.73	\$401,056.73
<b>Program Income Received</b>	\$828.38	\$828.38
<b>Program Income Drawdown</b>	\$828.38	\$828.38

## Progress Toward Required Numeric Targets

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
<b>Overall Benefit Percentage (Projected)</b>		0.00%
<b>Overall Benefit Percentage (Actual)</b>		0.00%
<b>Minimum Non-Federal Match</b>	\$0.00	\$401,056.73
<b>Limit on Public Services</b>	\$358,447.65	\$0.00
<b>Limit on Admin/Planning</b>	\$238,965.10	\$99,420.29
<b>Limit on State Admin</b>	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
<b>NSP Only - LH - 25% Set-Aside</b>	\$597,412.75	\$597,413.00

## Overall Progress Narrative:

Following a HUD monitoring in the beginning of April 2010, City staff increased efforts to ensure obligation of NSP funds by the September 2010 deadline. The City created two sound back-up plans in case the planned acquisition/rehabilitation activities were unable to meet obligation requirements. The City is happy to announce that in Q2 2010, significant progress was made toward meeting the September 2010 obligation deadline and the City is confident it will meet its obligation deadline.

In Q2 2010, the City entered into agreements with three developers; one to implement the Very Low-Income Acquisition/Rehabilitation/Rental Program and two to implement the Acquisition/Rehabilitation/Resale Program. The City entered into agreements with two separate developers for the LMMI Acquisition/Rehabilitation/Resale Program to ensure the City met its September 2010 obligation deadline. The competition among the developers has generated an incentive to acquire properties, and having two developers in place has provided twice the capability than we would have had otherwise.

In addition, the City drafted and/or finalized all necessary loan documents such as a Deed of Trust, Secured Promissory Note, and Regulatory Agreement in order to acquire NSP eligible properties under the program. Altogether, the City and its partners identified forty-two (42) eligible properties, entered into six (6) purchase agreements, and acquired three (3) housing units during Q2 2010. The City and its partners are on track to acquire another four (4) properties in July 2010. The City hopes to acquire another five (5) properties in August 2010, at which point the City will have fully obligated its funds for the VLI and LMMI activities. Rehabilitation plans and budgets are underway, and rehabilitation work is slated to begin during the beginning of Q3 2010.

In Q2 2010, the City funded another eight downpayment assistance loans, and will fund the remaining two loans in July 2010. By the time the activity is completed, the City will have funded fifteen downpayment assistance loans, one more than projected in the City's NSP substantial amendment.

The City will continue to aggressively pursue full obligation of funds by September 2010.

## 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	\$597,413.00	\$0.00
02, Acq/Rehab - LMMI (B)	\$0.00	\$1,000,000.00	\$0.00
03, Downpayment Assistance (A)	\$257,821.62	\$553,273.00	\$417,787.62
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$15,809.73	\$238,965.00	\$99,420.29

## Activities

**Grantee Activity Number:** 00-Admin  
**Activity Title:** Administration

**Activity Category:**

Administration

**Project Number:**

BCKT

**Projected Start Date:**

10/01/2008

**Benefit Type:**

N/A

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Bucket Project

**Projected End Date:**

09/30/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Elk Grove

**Overall**

**Apr 1 thru Jun 30, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$238,965.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$238,965.00
<b>Program Funds Drawdown</b>	\$15,809.73	\$99,420.29
<b>Program Funds Obligated</b>	\$0.00	\$238,965.00
<b>Program Funds Expended</b>	\$0.00	\$50,632.88
City of Elk Grove	\$0.00	\$50,632.88
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Administrative costs of the NSP local program.

**Location Description:**

Citywide

**Activity Progress Narrative:**

The City continued to administer the NSP grant in Q2 2010. Following a HUD monitoring in the beginning of April 2010, City staff increased efforts to ensure obligation of NSP funds by the September 2010 deadline.

**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

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**Grantee Activity Number: 01-AcqRehab-LH25**

**Activity Title: Acq/Rehab - VLI**

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Under Way

**Project Number:**

01

**Project Title:**

Acq/Rehab - VLI (B)

**Projected Start Date:**

10/01/2008

**Projected End Date:**

09/30/2010

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Elk Grove

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2010</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$597,413.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$597,413.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$0.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The acquisition and rehabilitation program will provide funding to an eligible nonprofit to purchase and rehabilitate homes or residential properties that will be rented or sold to low-income households. This activity will most likely take place where a larger vacant property can be acquired, or where a multi-family building has been foreclosed upon. Funds for this component will meet the very low-income housing requirement for those below 50 percent of the area median income. The City will solicit proposals from nonprofits interested in purchasing and managing housing within the City.

**Location Description:**

8728 Elk Way; 9472 Queensbury Court; 9532 Emerald Park Drive #3; 9508 Emerald Park Drive #4; 9578 Jan Marie Way; and 9313 Aizenberg Circle

**Activity Progress Narrative:**

The City executed an agreement with Mission Housing Development Corporation (MHDC) on April 14, 2010 to implement the City's NSP Very Low-Income Acquisition/Rehabilitation/Rental Program. The City met with MHDC in April 2010 to discuss the need to identify eligible properties that would be suitable for Elk Grove residents earning less than 50 percent of the AMI and in need of affordable rental housing ahead of the September 2010 obligation deadline. To date, the City and MHDC have identified seven eligible properties, including single family and multi-family housing units. The City and MHDC entered into two purchase agreements in June, and are on track to obligate all of the NSP funds for this activity by August 2010. Although the obligated funds do not appear in this QPR, the City has since obligated \$396,218.90 for the acquisition and rehabilitation of these two properties (three housing units). City staff continues to work diligently to ensure that the City will meet the 25 percent VLI requirement. The City will complete its Deed of Trust, Secured Promissory Note, and Regulatory Agreement in July 2010. The City and MHDC will also acquire the first property under this activity in July 2010.

## 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	0/6
# of Singlefamily Units	0	0/6

## Beneficiaries Performance Measures

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

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<b>Grantee Activity Number:</b>	<b>02.1-AcqRehab-LMMI-HBT</b>
<b>Activity Title:</b>	<b>LMMI Acq/Rehab - Homes by Towne</b>

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Activity Status:**

Under Way

**Project Number:**

02

**Project Title:**

Acq/Rehab - LMMI (B)

**Projected Start Date:**

05/01/2009

**Projected End Date:**

05/30/2010

**Benefit Type:**

Direct Benefit (Households)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Elk Grove

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2010</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$264,122.40
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$264,122.40
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$168,500.00	\$168,500.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$162,281.60	\$162,281.60
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**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:**

The City entered into an agreement with Homes by Towne Remodeling of California LLC (HBT) on June 22, 2010 to implement the City’s NSP Low- and Moderate-Income Acquisition/ Rehabilitation/ Resale Program. The City met with HBT in June 2010 to discuss the need to identify eligible properties that would be suitable for Elk Grove residents earning up to 120 percent of AMI and in need of affordable housing for sale ahead of the September 2010 obligation deadline. The City finalized the Deed of Trust and Promissory Note in May 2010 ahead of the first scheduled acquisition in June 2010. To date, the City and MHDC have identified fifteen eligible single family housing units. The City and HBT entered into two purchase agreements by June, and acquired the first property under this activity in June 2010. Although the obligated funds for the second property do not appear in this QPR, the City has since obligated \$283,422.40 for the acquisition and rehabilitation of both properties. HBT will acquire a second property in July 2010, and intends on acquiring another two properties in August 2010. Rehabilitation on the first acquired property will begin in July 2010. The City and HBT intend to have the property fully rehabilitated by September 2010. The City is on track to obligate all of the NSP funds for this activity by August 2010.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	1/3

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	1/3
# 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	0/3	0/0	0/3	0

## Activity Locations

Address	City	State	Zip
9309 Quintanna Court	Elk Grove	NA	95758

## 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 Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acq/Rehab - LMMI (B)

**Projected End Date:**

08/31/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Elk Grove

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2010</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$748,856.54
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$748,856.54
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$292,500.00	\$292,500.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$238,775.13	\$238,775.13
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**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:**

The City entered into an agreement with NeighborWorks Homeownership Center and GALA Construction (NGVB) on June 17, 2010 to implement the City's NSP Low- and Moderate-Income Acquisition/Rehabilitation/Resale Program. The City met with NGVB in June 2010 to discuss the need to identify eligible properties that would be suitable for Elk Grove residents earning up to 120 percent of AMI and in need of affordable housing for sale ahead of the September 2010 obligation deadline. The City finalized the Deed of Trust and Promissory Note in May 2010 ahead of the first scheduled acquisition in June 2010. To date, the City and NGBV have identified 20 eligible single family housing units. The City and NGBV entered into three purchase agreements this quarter, and acquired two properties under this activity by the end of June 2010 (9557 Dunkerrin Way and 9332 Barth Street). The City and NGVB are on track to acquire another two properties by August 2010. Rehabilitation on both acquired properties will begin in July 2010. NGVB intends to have the properties fully rehabilitated by September 2010. The City is on track to obligate all of the NSP funds for this activity by August 2010.

## 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	2	2/6
# of Singlefamily Units	0	0/6

## Beneficiaries Performance Measures

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

## Activity Locations

Address	City	State	Zip
9557 Dunkerrin Way	Elk Grove	NA	95758
9332 Barth Street	Elk Grove	NA	95624

## 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:** 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 Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Downpayment Assistance (A)

**Projected End Date:**

07/30/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Elk Grove

**Overall**

**Apr 1 thru Jun 30, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$540,294.06
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$540,294.06
<b>Program Funds Drawdown</b>	\$257,821.62	\$417,787.62
<b>Program Funds Obligated</b>	(\$30,490.38)	\$522,782.62
<b>Program Funds Expended</b>	\$0.00	\$182,766.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$828.38	\$828.38
<b>Program Income Drawdown</b>	\$828.38	\$828.38

**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:**

The City funded eight downpayment assistance loans in Q2 2010, and will fund the remaining two loans in July 2010. Those property addresses are: (1) 9583 Castlebridge Court; (2) 8742 Gladiola Way; (3) 9077 Four Seasons; (4) 6797 Alamar Way; (5) 9013 Meadowfoam Court; (6) 9609 Apple Mill Drive; (7) 5610 Mallardview Way; and (8) 5405 Tersk Way. Including those loans made in previous quarters, 13 loans were made by the end of June 2010. Of these 13 loans, five were to low-income households and eight were to moderate-income households. By the time the activity is completed, the City will have funded 15 downpayment assistance loans, one more than projected in the City's NSP substantial amendment. Due to the popularity and success of the program, the City is looking at other grant opportunities to implement a downpayment assistance program in the near future.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Housing Units</b>	8	13/15

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	3	5	8	6/5	7/10	13/15	100.00
# Owner Households	3	5	8	6/5	7/10	13/15	100.00

## Activity Locations

Address	City	State	Zip
9583 Castlebridge Court	Elk Grove	NA	95758
9077 Four Seasons	Elk Grove	NA	95624
8742 Gladiola Way	Elk Grove	NA	95624
6797 Alamar Way	Elk Grove	NA	95758
9609 Apple Mill Drive	Elk Grove	NA	95624
9013 Meadowfoam Court	Elk Grove	NA	95758
5405 Tersk Way	Elk Grove	NA	95757
5610 Mallardview Way	Elk Grove	NA	95757

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	