

Grantee: Riverside, CA

Grant: B-08-MN-06-0519

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-MN-06-0519

Grantee Name:

Riverside, CA

Grant Amount:

\$6,581,916.00

Grant Status:

Active

Submitted By:

No Submitter Found

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

Submitted - Await for Review

Disasters:**Declaration Number**

NSP

Plan Description:**Recovery Needs:****Overall****Total Projected Budget from All Sources****Total CDBG Program Funds Budgeted****Program Funds Drawdown****Obligated CDBG DR Funds****Expended CDBG DR Funds****Match Contributed****Program Income Received****Program Income Drawdown****This Report Period**

N/A

N/A

\$1,729,472.96

\$2,162,779.90

\$0.00

\$0.00

\$114,393.71

\$28,656.40

To Date

\$6,581,916.00

\$6,581,916.00

\$2,996,165.85

\$4,041,096.66

\$2,208,240.55

\$0.00

\$114,393.71

\$28,656.40

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$24.00
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

Overall Progress Narrative:

The City of Riverside is on track to fulfill its commitment to combating the foreclosure crisis. Since January 2009, the City has reviewed nearly 700 properties. Referrals for these properties have come primarily from the National Community Stabilization Trust. However, the City made contact with California Housing Finance Agency (Cal FHA) and Premiere Asset Services (PAS) regarding the direct sale of vacant, foreclosed homes to the City of Riverside. The City of Riverside will work with Cal FHAs two Master Brokers to facilitate the sale of properties. Cal FHA is expected to provide a list of several hundred homes that may potentially lead to acquisition of several properties that meet NSP guidelines. PAS represents assets of several financial institutions. They manage and market their properties. The City of Riverside will also work with PAS to facilitate the purchase of properties that qualify under NSP guidelines.

The City has successfully acquired 47 properties through the combined use of NSP and Redevelopment Housing Funds. One of these properties successfully completed rehab and was sold to an income-qualified first time homebuyer. Two are available for sale. The remaining are in various stages of inspection and rehabilitation.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$0.00	\$1,729,472.96	\$6,581,916.00	\$2,996,165.85

Activities

Grantee Activity Number: NSP-1

Activity Title: NSP-1

Activity Category:

Acquisition - buyout of residential properties

Project Number:

BCKT

Projected Start Date:

01/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/20/2013

Responsible Organization:

City of Riverside

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$3,128,245.40
Total CDBG Program Funds Budgeted	N/A	\$3,128,245.40
Program Funds Drawdown	\$1,397,162.01	\$2,150,418.42
Obligated CDBG DR Funds	\$1,484,226.99	\$2,322,553.67
Expended CDBG DR Funds	\$0.00	\$1,408,221.81
Match Contributed	\$0.00	\$0.00
Program Income Received	\$102,954.71	\$102,954.71
Program Income Drawdown	\$17,217.40	\$17,217.40

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 familys 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 familys income, the gap may be filled with NSP funds on a pro-rated equity share basis. The Citys 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 Riversides 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 October 1 - December 31, the City reviewed 97 residential properties, of which approximately 75% of those properties were not eligible under NSP. The remaining 24 properties represented actual candidates for purchase with NSP funding. The City successfully closed escrow on 8 of these homes. Of the 8 properties purchased, one (1) property was sold to a low income household.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	8	0/0	0/0	23/125
# of housing units	0	0	8	0/0	0/0	23/125
# of Households benefitting	1	0	1	1/25	11/100	12/125
# of Parcels acquired voluntarily	0	0	8	0/0	0/0	23/125

Activity Locations

Address	City	State	Zip
8873 Campbell	Riverside	NA	92503
4175 El Dorado	Riverside	NA	92501
6311 Banner	Riverside	NA	92504
6071 Chester	Riverside	NA	92504
3293 Doyle	Riverside	NA	92504
2290 Vasquez	Riverside	NA	92507
8738 Colorado	Riverside	NA	92503
9808 Keller	Riverside	NA	92503

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-2a

Activity Title: NSP-2a

Activity Category:

Acquisition - buyout of residential properties

Project Number:

BCKT

Projected Start Date:

01/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/20/2013

Responsible Organization:

City of Riverside

Overall	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	\$400,000.00
Total CDBG Program Funds Budgeted	N/A	\$400,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
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:

This activity is for acquisition/rehabilitation/rental, specifically for lease-to-own purposes. In those instances where applicant households have appropriate income but less than satisfactory credit, this will provide a mechanism that allows them time to repair their credit while living the unit that will become their own home. The lease-to-own term will not exceed 36 months; the household will be paying 35% of their monthly income for housing costs, of which 30% will include the affordable rent less utility allowances, and 5% will go into a holding fund which will accumulate toward the households downpayment. At the point that the households creditworthiness would allow for a lender to provide the first trust deed, and the amount saved toward the downpayment has met or exceeded 3% of the purchase price, the unit will be sold to the household at the total amount of investment in the unit by the City. Should there be an affordability gap, some portion of the City's original investment of acquisition and rehabilitation funds will remain in the property as a silent second (no monthly payments due, and a proportionate equity-share mechanism in lieu of interest) to be repaid upon change in title or status as owner-occupied housing. The property will have an affordability covenant recorded against it, for a period of 55 years. As with other assisted single family units through Riversides rehabilitation programs and down-payment assistance programs, continued affordability is ensured through an annual monitoring process. Initial acquisition by the City will average at least 15% below a current appraised value. No interest will be charged, instead a proportionate equity-share mechanism will be used. The sales price will be no greater than the total investment by the City (including acquisition, rehabilitation and associated program delivery costs). For example, if a completed unit is sold for \$200,000, and \$25,000 remains as a silent second, this amount represents 12.5% of the original purchase price. When the unit is sold in future years, the \$25,000 principal and 12.5% of any equity (increase in value less capital improvements and costs of sale) would be recaptured. For example if the unit is sold in the future for \$400,000, and capital improvements to the unit and costs of sale total \$50,000, then the amount due to the City would be \$43,750 (original principal of \$25,000, plus 12.5% of the equity which is calculated at \$400,000 less households acquisition price of \$200,000, less \$50,000 in capital improvements and costs of sale: \$400,000 - \$200,000 = \$200,000; \$200,000 - \$50,000 = \$150,000; \$150,000 x 12.5% = \$18,750; \$18,750 + \$25,000 = \$43,750).

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:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/4
# of housing units	0	0	0	0/0	0/0	0/4
# of Households benefitting	0	0	0	0/0	0/4	0/4
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/4

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: NSP-2c

Activity Category:

Acquisition - buyout of residential properties

Project Number:

BCKT

Projected Start Date:

01/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/20/2013

Responsible Organization:

City of Riverside

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources	N/A	\$1,645,479.00
Total CDBG Program Funds Budgeted	N/A	\$1,645,479.00
Program Funds Drawdown	\$288,431.62	\$670,230.10
Obligated CDBG DR Funds	\$594,160.91	\$975,959.39
Expended CDBG DR Funds	\$0.00	\$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 no more than 50% of the area median income. The City acquired one (1) triplex property and two (2) duplexes. 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.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	7	12/33	0/0	19/33

Activity Locations

Address	City	State	Zip
1833 - 1837 7th Street	Riverside	NA	92507
3065-3067 Fairmount	Riverside	NA	92501
1791 Orange Street	Riverside	NA	92501

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: NSP-3

Activity Category:

Clearance and Demolition

Project Number:

BCKT

Projected Start Date:

01/01/2013

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/20/2013

Responsible Organization:

City of Riverside

Overall

Oct 1 thru Dec 31, 2009

To Date

Total Projected Budget from All Sources

N/A

\$250,000.00

Total CDBG Program Funds Budgeted

N/A

\$250,000.00

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$84,392.00

\$84,392.00

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:

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:

One (1) property has been designated for demolition. This property was originally purchased as a potential NSP-1 property. After final inspection, it has been determined that a more cost effective option is to demolish the property and utilize the site for a future housing/redevelopment opportunity.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/2

Activity Locations

Address	City	State	Zip
2371 Georgia	Riverside	NA	92507

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: NSP-5

Activity Category:

Administration

Project Number:

BCKT

Projected Start Date:

01/01/2009

National Objective:

N/A

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/20/2013

Responsible Organization:

City of Riverside

Overall

Oct 1 thru Dec 31, 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	\$43,879.33	\$175,517.33
Obligated CDBG DR Funds	\$0.00	\$658,191.60
Expended CDBG DR Funds	\$0.00	\$131,638.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$11,439.00	\$11,439.00
Program Income Drawdown	\$11,439.00	\$11,439.00

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.

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
