

Grantee: State of California

Grant: B-08-DN-06-0001

April 1, 2009 thru June 30, 2009 Performance Report

Grant Number:

B-08-DN-06-0001

Obligation Date:**Grantee Name:**

State of California

Award Date:**Grant Amount:**

\$145,071,506.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

Disaster Damage: Throughout California, abandoned and foreclosed homes have had an adverse impact on various major metropolitan, suburban and rural areas to varying degrees. This matter is only forecasted to worsen due to relaxed underwriting standards, in the recent past, for mortgages that are due to have variable interest rates reset in the near future, thus producing an increase in mortgage defaults and eventual foreclosures. Based on greatest need, HUD allocated \$145,071,506 to the State of California to be administered by the California Department of Housing and Community Development. The State of California has defined several areas (jurisdictions) of greatest need and made NSP allocations available to those areas. A California NSP Notice of Funding Availability was released in April 2009. The State was awarded The State will allow jurisdictions to use NSP funds for all 5 NSP eligible uses. Jurisdictions will be required to submit applications detailing their intended use of NSP funds, projected number of units to be acquired, rehabilitated, and made available for sale to low-, moderate-, middle-income persons or the projected number of units to be demolished and/or redeveloped. All jurisdictions that are awarded State NSP funds will be required to comply with stringent timelines for use/obligating funds, expenditure of funds, and performance reporting.

Recovery Needs:

Recovery Needs:

According to HUDs guidelines for the distribution of these funds, states receiving grants for the NSP must target the funds toward areas of greatest need, identified as having the following conditions:

1. The greatest percentage of home foreclosures;
2. The greatest percentage of homes financed by a subprime mortgage related loan; and
3. Likely to face a significant rise in the rate of home foreclosure.

To meet these requirements, the State of Californias Department of Housing and Community Development (Department), which is responsible for implementing the NSP in the State, is proposing to allocate the funds through three tiers. Tier 1 and Tier 2 will total \$99,641,218 and Tier 3 will total \$36,267,877. The following is a description of the three Tiers:

In Tier 1, the Department will exclude those jurisdictions that received an allocation from HUD either directly or indirectly through an Urban County agreement. All other jurisdictions are eligible for consideration. However, the Department will limit the minimum allocation under Tier 1 to \$1 million.

In Tier 2, the Department will allow jurisdictions that did not receive allocations in Tier 1, due to the minimum threshold of \$1 million, to apply for funds if they combine with other jurisdictions through a joint agreement to meet this threshold. Counties will be permitted to receive any allocated amounts not requested by their cities, provided their total allocation meets the minimum threshold of \$1 million.

In Tier 3, the Department will distribute 25 percent of the States allocation plus up to 5 percent for general administrative costs to cities and counties that can meet HUDs requirement for housing targeted to households at or below 50 percent of area median income, provided the applicant has met the threshold of \$1 million required under Tier 1 and Tier 2.

| Overall | This Report Period | To Date |
|---|--------------------|------------------|
| Total Projected Budget from All Sources | N/A | \$135,067,993.30 |
| Total CDBG Program Funds Budgeted | N/A | \$135,067,993.30 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$0.00 | \$0.00 |
| Expended CDBG DR Funds | \$351,303.08 | \$351,303.08 |
| 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 | \$21,760,725.90 | \$0.00 |
| Limit on Admin/Planning | \$14,507,150.60 | \$351,303.08 |
| Limit on State Admin | \$0.00 | \$0.00 |

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

The total expenditure for the CA Department of Housing and Community Development, NSP Grant No. B-08-DN-0001 for general administration for pre-award and post award costs as of June 30, 2009 = \$351,303.08.

Project Summary

| Project #, Project Title | This Report Period | | To Date | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Project Funds Budgeted | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| 0001, Financing Mechanisms | \$17,408,581.00 | \$0.00 | \$17,408,581.00 | \$0.00 |
| 0002, Housing Acquisition/Rehabilitation/Disposition | \$60,930,033.00 | \$0.00 | \$60,930,033.00 | \$0.00 |
| 0003, Landbank | \$14,507,151.00 | \$0.00 | \$14,507,151.00 | \$0.00 |
| 0004, Demolition | \$4,352,145.00 | \$0.00 | \$4,352,145.00 | \$0.00 |

| | | | | |
|---|-----------------|--------|-----------------|--------|
| 0005, Redevelopment | \$33,366,446.00 | \$0.00 | \$33,366,446.00 | \$0.00 |
| 0006, General Administration | \$14,507,150.00 | \$0.00 | \$14,507,150.00 | \$0.00 |
| 0007, Affordable Rental Housing Component | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| 9999, Restricted Balance | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Activities

| | |
|---------------------------------|----------------------------|
| Grantee Activity Number: | B-08-DN-06-0001 |
| Activity Title: | State General Admin |

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

0006

Project Title:

General Administration

Projected Start Date:

09/29/2008

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

State of California

Overall

Apr 1 thru Jun 30, 2009

To Date

| | | |
|--|--------------|----------------|
| Total Projected Budget from All Sources | N/A | \$7,253,755.30 |
| Total CDBG Program Funds Budgeted | N/A | \$7,253,755.30 |
| Program Funds Drawdown | \$0.00 | \$0.00 |
| Obligated CDBG DR Funds | \$0.00 | \$0.00 |
| Expended CDBG DR Funds | \$351,303.08 | \$351,303.08 |
| Match Contributed | \$0.00 | \$0.00 |
| Program Income Received | \$0.00 | \$0.00 |
| Program Income Drawdown | \$0.00 | \$0.00 |

Activity Description:

General Administration

Location Description:

1800 3rd Street Sacramento, CA 95811

Activity Progress Narrative:

The total expenditure for NSP general administration for pre-award and post award costs as of June 30, 2009 = \$351,303.08.

Performance Measures

No Performance Measures found.

Activity Locations

| Address | City | State | Zip |
|-----------------|------------|-------|-------|
| 1800 3rd Street | Sacramento | NA | 95811 |

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources
