

**Grantee: Apple Valley, CA**

**Grant: B-08-MN-06-0502**

**July 1, 2011 thru September 30, 2011 Performance Report**

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**Grant Number:**

B-08-MN-06-0502

**Obligation Date:**

03/05/2009

**Award Date:**

02/27/2009

**Grantee Name:**

Apple Valley, CA

**Contract End Date:**

02/27/2013

**Review by HUD:**

Reviewed and Approved

**Grant Amount:**

\$3,064,836.00

**Grant Status:**

Active

**QPR Contact:**

No QPR Contact Found

**Estimated PI/RL Funds:**

\$0.00

**Total Budget:**

\$3,064,836.00

## Disasters:

### Declaration Number

No Disasters Found

## Narratives

### Areas of Greatest Need:

### Distribution and and Uses of Funds:

NSP Administrative funds will be used in conformance with 24 CFR 570.206. Eligible pre-award costs may be incurred in order to develop the NSP Plan and undertake other administrative actions necessary to receive the grant. The NSP Down Payment Assistance Program will be implemented Town-wide with an emphasis on foreclosure properties located in low income census tracts, redevelopment project areas (Census Tracts 97.09, 97.10, 97.12, 97.13, 97.14, 97.16). Although data indicates that the highest foreclosure rates (11.0%-11.8%) occurred in this target area, an estimated 46% of foreclosures also occurred outside the low income census tracts/redevelopment project areas and are spread out throughout the community. The overall foreclosure rate in Apple Valley is 10.3%. The Down Payment Assistance Program will provide down payment assistance, including closing costs, to income eligible households earning no greater than 120% of adjusted median income. The principal, interest, taxes and insurance will not exceed 30% of the household's adjusted median income. A 1% down payment is required of the household. The buyer will first secure a first mortgage with a fixed-rate, fully amortized, 30 year loan. The Town's assistance is in the form of a second mortgage loan at 0% interest rate, deferred and forgiven at the end of the term of the loan (30 years). If the property is sold, or the buyer ceases to occupy the residence, or the property is refinanced and cash is taken out, the loan will become immediately due and payable. Affordability covenants meeting, at a minimum, requirements set by HOME regulations will be placed on all properties participating in this program. All home buyers will attend an 8 hour home buyer education workshop prior to loan funding. In addition, the average purchase discount for all properties purchased with NSP funds for this program during the 18-month use period has been revised to 1% per HUD regulations. Acquisition/Rehabilitation/New Construction for Multi-residential uses will be used to finance, acquire, rehabilitate or provide new construction on vacant foreclosed properties for the purposes of providing multi-residential rental or homeownership opportunities. Funds may be used for a variety of purposes to include acquisition of land for future development of multi-residential housing acquisition/rehabilitation for use as transitional housing facilities, and acquisition/construction of incomplete residential projects. Furthermore, the Town of Apple Valley intends to utilize funds for potential acquisition, rehabilitation, new construction or completion of new construction for the purposes of rental to income eligible households, or rental to income eligible households in a rent-to-own plan, or direct sale to income eligible households or direct homeownership assistance. Apple Valley may partner with non-profit developers and will endeavor to participate in joint regional partnerships in the area of transitional housing. Affordability covenants meeting, at a minimum, requirements set by HOME regulations will be placed on all properties participating in this program. The average purchase discount for all properties purchased with NSP funds during the 18-month use period shall be at least 1%.

### Definitions and Descriptions:

### Low Income Targeting:



**Acquisition and Relocation:**

**Public Comment:**

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
Total Projected Budget from All Sources	N/A	\$3,064,836.00
Total Budget	\$0.00	\$3,064,836.00
Total Obligated	\$0.00	\$3,064,836.00
Total Funds Drawdown	\$0.00	\$3,063,461.24
Program Funds Drawdown	\$0.00	\$3,063,461.24
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$2,446,167.67
Match Contributed	\$0.00	\$0.00

### Progress Toward Required Numeric Targets

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$459,725.40	\$0.00
Limit on Admin/Planning	\$306,483.60	\$306,483.00
Limit on State Admin	\$0.00	\$306,483.00

### Progress Toward Activity Type Targets

### Progress Toward National Objective Targets

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
NSP Only - LH - 25% Set-Aside	\$766,209.00	\$766,209.00

### Overall Progress Narrative:

As of this reporting period, Town of Apple Valley Housing staff has successfully expended the entire allocation of our Neighborhood Stabilization Program (NSP-1) funds. The previous balance of \$1,374.76 allocated for our Neighborhood Stabilization Program/Down Payment Assistance Program (NSP/DAP) was utilized to assist a low-income family purchase their first home. The remainder of this down payment assistance loan is funded with NSP-3. Administrative funds are completely exhausted and were used for training, education and salaries for the employees administering and implementing the program. A portion of administrative funds have also been utilized for homebuyer education expenses for loans that have fallen out of the process.



Funding in the amount of \$1,503,353 was used for the acquisition of a foreclosed 34-unit townhouse-condominium project. After construction is complete, the units will be administered by a local CHDO as for sale condominium units to eligible low-income homebuyers.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
01- Administration xx, NSP Administration	\$0.00	\$306,480.00	\$306,480.00
01-Administration, Administration NSP	\$0.00	\$3.00	\$3.00
02- Eligible Use A, Financing Mechanisms	\$0.00	\$1,250,000.00	\$1,248,625.24
03- Eligible Use B, Acquisition/Rehab/New Construction	\$0.00	\$1,508,353.00	\$1,508,353.00
zz, Apple Valley NSP	\$0.00	\$0.00	\$0.00



## Activities

<b>Grantee Activity Number:</b>	<b>001</b>
<b>Activity Title:</b>	<b>NSP Administration</b>

**Activity Category:**

Administration

**Project Number:**

01-Administration

**Projected Start Date:**

07/01/2009

**Benefit Type:**

( )

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Administration NSP

**Projected End Date:**

09/30/2009

**Completed Activity Actual End Date:**

08/12/2010

**Responsible Organization:**

Town of Apple Valley

Overall	Jul 1 thru Sep 30, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$3.00
<b>Total Budget</b>	\$0.00	\$3.00
<b>Total Obligated</b>	\$0.00	\$3.00
<b>Total Funds Drawdown</b>	\$0.00	\$3.00
<b>Program Funds Drawdown</b>	\$0.00	\$3.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
Town of Apple Valley	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Administrative funds will be used in conformance with 24 CFR 570.206. Eligible pre-award costs may be incurred in order to develop the NSP Plan and undertake other administrative actions necessary to receive the grant.

**Location Description:**

Administrative funds will be used in conformance with 24 CFR 570.206. Eligible pre-award costs may be incurred in order to develop the NSP Plan and undertake other administrative actions necessary to receive the grant.

**Activity Progress Narrative:**

**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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<b>Grantee Activity Number:</b>	<b>5</b>
<b>Activity Title:</b>	<b>DAP 60%&gt;</b>

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Activity Status:**

Under Way

**Project Number:**

02- Eligible Use A

**Project Title:**

Financing Mechanisms

**Projected Start Date:**

09/01/2008

**Projected End Date:**

09/30/2010

**Benefit Type:**

Direct ( HouseHold )

**Completed Activity Actual End Date:**

10/01/2011

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

Town of Apple Valley

Overall	Jul 1 thru Sep 30, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$483,791.00
<b>Total Budget</b>	\$0.00	\$483,791.00
<b>Total Obligated</b>	\$0.00	\$483,791.00
<b>Total Funds Drawdown</b>	\$0.00	\$482,416.24
<b>Program Funds Drawdown</b>	\$0.00	\$482,416.24
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$358,578.11
Town of Apple Valley	\$0.00	\$358,578.11
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

The Down Payment Assistance Program will provide down payment assistance, including closing costs, to income eligible households earning no greater than 120% of adjusted median income. The principal, interest, taxes and insurance will not exceed 30% of the household's adjusted median income. A 1% down payment is required of the household. The buyer will first secure a first mortgage with a fixed-rate, fully amortized, 30 year loan. The Town's assistance is in the form of a second mortgage loan at 0% interest rate, deferred and forgiven at the end of the term of the loan (30 years). If the property is sold, or the buyer ceases to occupy the residence, or the property is refinanced and cash is taken out, the loan will become immediately due and payable. Affordability covenants meeting, at a minimum, requirements set by HOME regulations will be placed on all properties participating in this program. All home buyers will attend an 8 hour home buyer education workshop prior to loan funding. In addition, the average purchase discount for all properties purchased with NSP funds for this program during the 18-month use period shall be at least 1%.

**Location Description:**

The NSP Down Payment Assistance Program will be implemented within the focus target area comprised of foreclosure properties located in the six (6) low income census tracts (Census Tracts 97.09, 97.10, 97.12, 97.13, 97.14, 97.16). Although data indicates that the highest foreclosure rates (11.0%-11.8%) occurred in this target area, an estimated 46% of foreclosures also occurred outside the low income census tracts, and redevelopment project areas and are spread out in redevelopment project areas as well as throughout the community. The overall foreclosure rate in Apple Valley is 10.3%.

**Activity Progress Narrative:**

The NSP/DAP provided assistance in the form of a deferred payment loan to a low income family for the purchase of their first home.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	19	29/14
# of Singlefamily Units	29	29/14

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	1	0	1	14/6	15/8	29/14	100.00
# Owner Households	1	0	1	14/6	15/8	29/14	100.00

## Activity Locations

Address	City	County	State	Zip	Status / Accept
20987 Nisqually Road	Apple Valley	NA	NA	92307	Not Validated / N

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

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





<b>Grantee Activity Number:</b>	<b>6</b>
<b>Activity Title:</b>	<b>NSP Administration</b>

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

01- Administration xx

**Project Title:**

NSP Administration

**Projected Start Date:**

09/01/2008

**Projected End Date:**

09/30/2010

**Benefit Type:**

( )

**Completed Activity Actual End Date:**

08/12/2010

**National Objective:**

N/A

**Responsible Organization:**

Town of Apple Valley

**Overall**

	<b>Jul 1 thru Sep 30, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$306,480.00
<b>Total Budget</b>	\$0.00	\$306,480.00
<b>Total Obligated</b>	\$0.00	\$306,480.00
<b>Total Funds Drawdown</b>	\$0.00	\$306,480.00
<b>Program Funds Drawdown</b>	\$0.00	\$306,480.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$0.00
Town of Apple Valley	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Administrative funds will be used in conformance with 24 CFR 570.206. Eligible pre-award costs may be incurred in order to develop the NSP Plan and undertake other administrative actions necessary to receive the grant.

**Location Description:**

Administrative funds will be used in conformance with 24 CFR 570.206. Eligible pre-award costs may be incurred in order to develop the NSP Plan and undertake other administrative actions necessary to receive the grant

**Activity Progress Narrative:**

**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:** 7

**Activity Title:** Purchase/Rehab/Acquisition/Rehab

**Activity Category:**

Acquisition - general

**Project Number:**

03- Eligible Use B

**Projected Start Date:**

09/01/2008

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Acquisition/Rehab/New Construction

**Projected End Date:**

09/30/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

Town of Apple Valley

Overall	Jul 1 thru Sep 30, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$1,508,353.00
<b>Total Budget</b>	\$0.00	\$1,508,353.00
<b>Total Obligated</b>	\$0.00	\$1,508,353.00
<b>Total Funds Drawdown</b>	\$0.00	\$1,508,353.00
<b>Program Funds Drawdown</b>	\$0.00	\$1,508,353.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$1,508,353.00
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

Funds will be used to finance, acquire, rehabilitate or provide new construction on vacant foreclosed properties for the purposes of providing multi-residential rental or homeownership opportunities. Funds may be used for a variety of purposes to include acquisition of land for future development of multi-residential housing acquisition/rehabilitation for use as transitional housing facilities, and acquisition/construction of incomplete residential projects. Furthermore, the Town of Apple Valley intends to utilize funds for potential acquisition, rehabilitation, new construction or completion of new construction for the purposes of rental to income eligible households, or rental to income eligible households in a rent-to-own plan, or direct sale to income eligible households or direct homeownership assistance. Apple Valley may partner with non-profit developers and will endeavor to participate in joint regional partnerships in the area of transitional housing. Affordability covenants meeting, at a minimum, requirements set by HOME regulations will be placed on all properties participating in this program. The average purchase discount for all properties purchased with NSP funds during the 18-month use period shall be at least 1%.

**Location Description:**

The NSP Down Payment Assistance Program will be implemented within the focus target area comprised of foreclosure properties located in the six (6) low income census tracts (Census Tracts 97.09, 97.10, 97.12, 97.13, 97.14, 97.16). Although data indicates that the highest foreclosure rates (11.0%-11.8%) occurred in this target area, an estimated 46% of foreclosures also occurred outside the low income census tracts, and redevelopment project areas and are spread out in redevelopment project areas as well as throughout the community. The overall foreclosure rate in Apple Valley is 10.3%.

**Activity Progress Narrative:**



## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	34/34

## 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:** 8

**Activity Title:** NSP/DAP 25%

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

02- Eligible Use A

**Projected Start Date:**

09/01/2008

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Financing Mechanisms

**Projected End Date:**

09/30/2010

**Completed Activity Actual End Date:**

**Responsible Organization:**

Town of Apple Valley

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$766,209.00
<b>Total Budget</b>	\$0.00	\$766,209.00
<b>Total Obligated</b>	\$0.00	\$766,209.00
<b>Total Funds Drawdown</b>	\$0.00	\$766,209.00
<b>Program Funds Drawdown</b>	\$0.00	\$766,209.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$164,602.34
<b>Match Contributed</b>	\$0.00	\$0.00

**Activity Description:**

The Down Payment Assistance Program will provide down payment assistance, including closing costs, to income eligible households earning no greater than 120% of adjusted median income. The principal, interest, taxes and insurance will not exceed 30% of the household's adjusted median income. A 1% down payment is required of the household. The buyer will first secure a first mortgage with a fixed-rate, fully amortized, 30 year loan. The Town's assistance is in the form of a second mortgage loan at 0% interest rate, deferred and forgiven at the end of the term of the loan (30 years). If the property is sold, or the buyer ceases to occupy the residence, or the property is refinanced and cash is taken out, the loan will become immediately due and payable. Affordability covenants meeting, at a minimum, requirements set by HOME regulations will be placed on all properties participating in this program. All home buyers will attend an 8 hour home buyer education workshop prior to loan funding. In addition, the average purchase discount for all properties purchased with NSP funds for this program during the 18-month use period shall be at least 1%

**Location Description:**

The NSP Down Payment Assistance Program will be implemented within the focus target area comprised of foreclosure properties located in the six (6) low income census tracts (Census Tracts 97.09, 97.10, 97.12, 97.13, 97.14, 97.16). Although data indicates that the highest foreclosure rates (11.0%-11.8%) occurred in this target area, an estimated 46% of foreclosures also occurred outside the low income census tracts, and redevelopment project areas and are spread out in redevelopment project areas as well as throughout the community. The overall foreclosure rate in Apple Valley is 10.3%.

**Activity Progress Narrative:**



## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	3/13
# of Singlefamily Units	0	0/13

## 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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