

Jul 1, 2011 thru Sep 30, 2011 Performance Report

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

Obligation Date:
03/05/2009

Grantee Name:
Apple Valley, CA

Award Date:
02/27/2009

Grant Amount:
\$3,064,836.00

Contract End Date:
02/27/2013

Grant Status:
Active

Reviewed By HUD:
Reviewed and Approved

QPR Contact:
No QPR Contact Found

Disasters:

Declaration Number

NSP

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:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	3,064,836
Total CDBG Program Funds Budgeted	N/A	3,064,836
Program Funds Drawdown	0	3,063,461.24
Program Funds Obligated	0	3,064,836
Program Funds Expended	0	2,446,167.67
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected):		0%
Overall Benefit Percentage (Actual):		0%

Minimum Non-Federal Match	0	0
Limit on Public Services	459,725.4	0
Limit on Admin/Planning	306,483.6	306,483
Limit on State Admin	0	0

Progress Toward Activity Type Targets

Activity Type	Target	Actual
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Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	766,209	766,209

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	306,480		306,480
01-Administration, Administration NSP	0	3		3
02- Eligible Use A, Financing Mechanisms	0	1,250,000	1,248,625.24	
03- Eligible Use B, Acquisition/Rehab/New Construction	0	1,508,353	1,508,353	
9999, Restricted Balance	0	0		0
zz, Apple Valley NSP	0	0		0

Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
01- Administration xx	NSP Administration	6	NSP Administration
03- Eligible Use B	Acquisition/Rehab/New Construction	7	Purchase/Rehab/Acquisition/Rehab
01-Administration	Administration NSP	001	NSP Administration
02- Eligible Use A	Financing Mechanisms	5	DAP 60%>
		8	NSP/DAP 25%
zz	Apple Valley NSP	<i>No activities in this project</i>	

Activities

Grantee Activity Number:
001

Activity Title:
NSP Administration

Activity Category:
Administration

Activity Status:
Under Way

Project Number:
01-Administration

Project Title:
Administration NSP

Projected Start Date:
07/01/2009

Projected End Date:
09/30/2009

National Objective:
N/A

Completed Activity Actual End Date:
08/12/2010

Responsible Organization:
Town of Apple Valley

Benefit Type:
N/A

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	3
Total CDBG Program Funds Budgeted	N/A	3
Program Funds Drawdown	0	3
Program Funds Obligated	0	3
Program Funds Expended	0	0
Town of Apple Valley	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

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:

Activity Location:

Address	City	State	Zip
No Activity Locations Found			

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	

Grantee Activity Number:

5

Activity Title:

DAP 60%>

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

National Objective:

NSP Only - LMMI

Completed Activity Actual End Date:

10/01/2011

Responsible Organization:

Town of Apple Valley

Benefit Type:

Direct Benefit (Households)

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	483,791
Total CDBG Program Funds Budgeted	N/A	483,791
Program Funds Drawdown	0	482,416.24
Program Funds Obligated	0	483,791
Program Funds Expended	0	358,578.11
Town of Apple Valley	0	358,578.11
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected 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
# Owner Households	1	0	1	14/6	15/8	29/14	100

Cumulative Race Total

	This Report Period						Cumulative Actual Total					
	Owner		Renter		Total Households		Owner		Renter		Total Households	
Direct Benefit Total Hispanic/Latino (Households)	Total	Hispanic/Latino	Total	Hispanic/Latino	Total	Hispanic/Latino	Total	Hispanic/Latino	Total	Hispanic/Latino	Total	Hispanic/Latino
White	1	1	0	0	1	1	27	9	0	0	27	9
Black/African American	0	0	0	0	0	0	1	0	0	0	1	0
Native Hawaiian/Other Pacific Islander	0	0	0	0	0	0	1	0	0	0	1	0
Households Female	0	0	0	0	0	0	10	0	0	0	10	0

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.

Activity Location:

Address	City	State	Zip
20987 Nisqually Road	Apple Valley	NA	92307

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	

Grantee Activity Number:
6

Activity Title:
NSP Administration

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

National Objective:
N/A

Completed Activity Actual End Date:
08/12/2010

Responsible Organization:
Town of Apple Valley

Benefit Type:
N/A

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	306,480
Total CDBG Program Funds Budgeted	N/A	306,480
Program Funds Drawdown	0	306,480
Program Funds Obligated	0	306,480
Program Funds Expended	0	0
Town of Apple Valley	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

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:

Activity Location:

Address	City	State	Zip
No Activity Locations Found			

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	

Grantee Activity Number:
7

Activity Title:
Purchase/Rehab/Acquisition/Rehab

Activity Category:
Acquisition - general

Activity Status:
Under Way

Project Number:
03- Eligible Use B

Project Title:
Acquisition/Rehab/New Construction

Projected Start Date:
09/01/2008

Projected End Date:
09/30/2010

National Objective:
NSP Only - LMMI

Completed Activity Actual End Date:

Responsible Organization:
Town of Apple Valley

Benefit Type:
Direct Benefit (Households)

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	1,508,353

Total CDBG Program Funds Budgeted	N/A	1,508,353
Program Funds Drawdown	0	1,508,353
Program Funds Obligated	0	1,508,353
Program Funds Expended	0	1,508,353
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	0	1/1
# of Parcels acquired by condemnation	0	0/0
# of Parcels acquired voluntarily	0	0/1

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

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/34	0/34	0
# Owner Households	0	0	0	0/0	0/34	0/34	0

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:

Activity Location:

Address	City	State	Zip
No Activity Locations Found			

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	

Grantee Activity Number:
8

Activity Title:
NSP/DAP 25%

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

National Objective:

NSP Only - LH - 25% Set-Aside

Completed Activity Actual End Date:

Responsible Organization:

Town of Apple Valley

Benefit Type:

Direct Benefit (Households)

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	766,209
Total CDBG Program Funds Budgeted	N/A	766,209
Program Funds Drawdown	0	766,209
Program Funds Obligated	0	766,209
Program Funds Expended	0	164,602.34
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

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

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/0	0/0	0/13	0
# Owner Households	0	0	0	0/0	0/0	0/13	0

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:

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Activity Progress Narrative:

Activity Location:

Address	City	State	Zip
No Activity Locations Found			

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources

No Other Funding Sources Found

