

Grantee: Lake County, FL

Grant: B-11-UN-12-0008

October 1, 2012 thru December 31, 2012 Performance Report



Grant Number:

B-11-UN-12-0008

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

Lake County, FL

Contract End Date:

03/10/2014

Review by HUD:

Reviewed and Approved

Grant Amount:

\$3,199,585.00

Grant Status:

Active

QPR Contact:

Shawna Sue Chancey

Estimated PI/RL Funds:

\$0.00

Total Budget:

\$3,199,585.00

Disasters:

Declaration Number

No Disasters Found

Narratives

Summary of Distribution and Uses of NSP Funds:

Lake County will implement the activities noted in the Neighborhood Stabilization Plan approved by the U.S. Department of Housing and Urban Development. These activities include: Planning and Administration, Purchase and Rehabilitation for homeownership and rental. The lead agency for administering the Neighborhood Stabilization Program is the Lake County Community Services Division (CSDH). Originally, the primary focus of the NSP 3 funding were to be used for single family acquisition and rehabilitation, or demolition and subsequent reconstruction to sell to eligible home buyers. However, after experiencing rapid changes in the housing market, our non-profits were unable to acquire properties for acquisition and resale. Additionally, CSDH became aware that Lake County would be experiencing a tremendous loss of affordable housing units that will expire in 2014. Therefore, based on the rapid changes in the market, the lack of ability of our non-profits to acquire properties and the apparent need for affordable rentals, Lake County changes it's effort to meet those families in need of affordable rental properties. CHSD plans to expend \$2,307,627 for rental projects with \$1,468,127 dedicated on rental for of the funding for households at or below 50% of Area Median Income and the remainder \$839,500 will be used for person at or below 120% MFI. This funding will be for acquisition of a 35 unit apartment complex, a 12 unit apartment complex, and 5 single family homes. In addition, funding has been set aside for \$572,000 for four single family home acquisition for resale to families at or below 120% MFI. A Request for Proposals was published in the spring of 2011 for nonprofit/for profit developers to respond with multi-family projects for rental that have been foreclosed upon in the target areas and utilizing other non-profit developers that can assist households to purchase single-family homes. Housing Partner Subrecipient Agreements of the individual multifamily projects will be approved by the BOCC after evaluation of the proposals. The properties will have a minimum 15-year deferred loan on all single family projects and a land use restrictive agreement noting the affordability provisions noted in the NSP Plan. For rental housing projects the County will require a 20-year mortgage lien and land use restrictive agreement defining the income targeting and affordability requirements. The County does not intend to pursue land banking.

How Fund Use Addresses Market Conditions:

In choosing the target for rNSP3 four main factors were considered (1) areas with the greatest concentration of low/moderate income persons (2) areas with the greatest needs score equal to or greater than the Florida needs score of 17, (3) estimate d number of units required to impact the chosen areas; and, (4) funding available. By concentrating NSP3 funds in previously served areas, it is anticipated that stabilization impact and measurable outcomes will be increased by expanding the number of properties acquired, rehabilitated, and resold or rented.

Twenty different neighborhoods were chosen for consideration based on various elements and HUD mapping data tools. These were assessed, in part using the NSP3 mapping tool, for:

*HUD minimum needs score;

*areas where target income buyers were interested in;

*areas small enough to have significant impact yet large enough to have sufficient eligible and viable properties.

*Almost all of the twenty neighborhoods originally reviewed were also NSP1 areas. Market Analysis:

HUD is providing the data above as a tool for both neighborhood targeting and to help inform the strategy development. Some things we considered as the target areas were chosen are:

1. Persistent Unemployment. Is this an area with persistently high unemployment? Serious considerations should be given to a rental strategy rather than a homeownership strategy.
2. Home Value Change and Vacancy. Is this an area where foreclosures are largely due to a combination of falling home values, a recent spike in unemployment, and a relatively low vacancy rate? A down payment assistance program may be an effective strategy.
3. Persistently High Vacancy. Are there a high number of substandard vacant addresses in the target



area of a community with persistently high unemployment? A demolition/land bank strategy with selected acquisition rehab for rental or lease-purchase might be considered.

4. Historically low vacancy that is now rising. A targeted strategy of acquisition for homeownership and rental to retain or regain neighborhood stability might be considered.

5. Historically high cost

rental market. Does this market historically have very high rents with low vacancies? A strategy of acquiring properties and developing them as long-term affordable rental might be considered.

As the market continued to change, there was an apparent lack of single-family foreclosure products in the affected areas. We have redesigned some of the areas for single family home buyer development but also have added an area for multifamily development. Those areas that did not produce the foreclosure product were either eliminated or adjusted in this process, four areas remain. The target neighborhoods were then ultimately decided through consensus from citizen input, staff & elected officials. Almost all of Lake County meets HUD's minimum needs score. After a review of areas with the highest number of foreclosures and REO's narrowed the scope to four areas; Leesburg, Montclair/Carver Heights, Clermont/Groveland, and one area in Eustis. Realizing that the emphasis in the housing needs for the residents has changed from home buyer to rental housing, we needed to identify areas where multifamily projects were available. When searching for this area we considered housing needs, banking industry changes, transportation needs, and access to jobs and services. We also realized that people were still interested in buying homes, so we searched for smaller neighborhoods that might not be identified through the process above; we consulted our non-profits, local affordable housing officials, and real estate professionals. A summary of these four target areas along with proposed levels of assistance and goals is as follows:

How Fund Use Addresses Market Conditions:

had already been purchased, the Mascotte/Groveland area has shown little to no foreclosure opportunities, so were replaced the designated area to include an expanded Clermont/Minneola area to reap greater success in those areas having the greatest need, although the previous NSP 1 target area had too high an impact score. Since consensus was that this area still best met HUD's criteria due to access to public transportation, the location is nearby several major employers as well as closely located to hospitals and shopping plazas with the average housing prices within the range necessary to serve LMMI families, a good mix of both newer and older homes, and still an active housing market. In looking at the data the total housing units to receive a mortgage between 2004 and 2007 was 7869. The percentage of housing units with a high cost, sub-prime mortgage is 20.41% and the percent of housing units 90 or more days delinquent or in foreclosure for this area is 15.07% which indicates that many of these homes will be entering foreclosure in the near future leaving families and neighborhood even more devastated.

In addition, the Montclair-

Carver Heights, another much smaller neighborhood just outside the city limits of Leesburg, also identified as an area of greatest need, but having a minimum impact score was

selected as a target area for rental. This area will be targeted for affordable rental housing based on the homes available, the socio-

economic indicators, and the available apartments available due to foreclosure. In

looking at the data the total housing units to receive a mortgage between 2004 and 2007 was 282. The percentage of housing units with a high cost, sub-prime mortgage is 33.1% and the

percent of housing units 90 or more days delinquent or in foreclosure for this area is 16.6% which indicates that many of these homes will be entering foreclosure in the near future. The unemployment rate in this area is 11.6% and over 21% of the residential homes have been vacant for more than 90 days or have no status. The value of these homes has also dropped 37% and will continue to decline without some form of stabilization.

Also, a section of Eustis area was targeted due to access to public transportation, the location of several grocery stores, doctors,

and the average housing prices within the range necessary to serve LMMI families, mostly newer homes, and still an active housing market. In

viewing the total data the total housing units to receive a mortgage between 2004 and 2007 were 995. The percentage of housing units with a high cost, sub-prime mortgage is 30.09% and the percent of housing units 90 or more days

delinquent or in foreclosure for this area is 17.58% which indicates that many of these homes will be

entering foreclosure in the near future leaving families and neighborhood even more devastated. The

unemployment rate in this area is 11.6% and over 10% of the residential homes have been vacant for more than 90 days or have no status. The value of these homes has also dropped significantly and will continue to decline without some form of stabilization.

Project Summary for NSP3

Project Name Eustis Montclair/Carver Heights Clermont/Minneola Bentley Rd.

Total Housing Units: 6440

Total NSP3 Need Score: 19

Total Housing Units

2431

514

2330

512

NSP3 Need Score

19

19

19



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Ensuring Continued Affordability:

Lake County will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA) which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 20 year affordability period.

All properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicant in form of down payment and/or closing cost assistance.

For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:

- Up to \$15,000 = 5 Years
- \$15,000-\$40,000 = 10 Years
- Over \$40,000 = 15 Years

Definition of Blighted Structure:

The Lake County Code of Ordinance (Chapter 6-22) defines unsafe buildings using the International Property Maintenance Code. For the purpose of the NSP, Lake County will utilize this as the definition of "blighted structure".

Definition of Affordable Rents:

The maximum affordable rents shall not exceed the HOME program limits as published annually by the US Department of Housing and Urban Development for the Orlando-Kissimmee-Sanford MSA.

Housing Rehabilitation/New Construction Standards:

The Lake County Housing Division will utilize the Florida Department of Community Affairs Building Code for all NSP assisted activities. In addition, Lake County will implement energy savings measures when the activity is financially feasible.

- All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
- All gut rehabilitation or new construction of mid- or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
- Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
- Water efficient toilets, showers, and faucets, such as those with WaterSense label, must be installed.
- Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Vicinity Hiring:

The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP 3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP 3 projects.

Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, which requires that recipients of financial assistance provided by the U.S. Department of Housing & Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income area residents and contract opportunities for the performance of work by local businesses owned by and/or employing low income residents.

Procedures for Preferences for Affordable Rental Dev.:

Lake County has identified affordable rental housing as a great need for the residents of Lake County and has therefore set aside at least 25% of the total NSP3 allotment to be utilized for affordable rental development.

Grantee Contact Information:

NSP3 Program Administrator Contact Information:

- Name (Last,First): Howell, Cheryl
- Email Address: chowell@lakecountyfl.gov
- Phone Number: 352-742-6519 Fax: 352-742-6535
- Mailing Address: 1300 S. Duncan Dr., Bldg. E, Tavares, FL 32778
- Web Address: www.lakecountyfl.gov



Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,199,585.00
Total Budget	\$2,399,688.00	\$3,199,585.00
Total Obligated	\$0.00	\$319,958.00
Total Funds Drawdown	\$12,517.32	\$92,101.78
Program Funds Drawdown	\$12,517.32	\$92,101.78
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$84,770.62	\$169,818.77
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$479,937.75	\$0.00
Limit on Admin/Planning	\$319,958.50	\$92,101.78
Limit on State Admin	\$0.00	\$92,101.78

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$319,958.50	\$319,958.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$799,896.25	\$1,468,127.00

Overall Progress Narrative:

Lake County NSP Partners have acquired a 12-Unit complex and a 35-Unit complex for multi-family rental. The rehabilitation of these units is expected to begin soon. Additionally, two single family rental units have been acquired and the rehabilitation phase has not yet begun. Administrative and acquisitions funds have been expended this quarter. Additional reimbursement requests are in process and will reflect on the next QPR. All partners continue to diligently search for eligible properties.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition and Rehab	\$0.00	\$2,879,627.00	\$0.00



2, Administration

\$12,517.32

\$319,958.00

\$92,101.78



Activities

Grantee Activity Number:	1 A
Activity Title:	Acquisition-LH Single Family

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

03/01/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Acquisitionand Rehab

Projected End Date:

02/28/2014

Completed Activity Actual End Date:

Responsible Organization:

Lake County Board of County Commissioners

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$373,627.00
Total Budget	\$0.00	\$373,627.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Lake County Board of County Commissioners	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Lake County's Housing Division plans to use a minimum of \$339,897 for rental housing preference to meet the 25% set aside of low-income housing to purchase and rehab 3 single family homes (rental) Market conditions indicate that there area many more foreclosed properties available than can be purchased with NSP funding. This activity is expected to benefit 3 low-income families for access to affordable rental. The housing market conditions in the areas identified for rental have long been disinvested and have decayed even more dramatically during the decline in the housing market. According to the Shimberg Center, there is a great need for decent, affordable housing in this area. Over 40% of persons living in this area are paying as much as 50% of their gross income for housing. Many of the housing units are in substandard condition and this activity will increase the quality of living through providing decent, affordable housing. Many of the homes owned in the area are in disrepair coupled with absentee landlords. We are working with non-partner agencies that will develop these properties and provide supportive services to assist the families to increase their quality of living.

The jurisdiction certifies that it will, to the manimum extent feasible, provide for hiring of employees that reside in the vicinity of NSP 3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP 3 projects.

Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, requiring that recipients of financial assistance provided by the U.S. Department of Housing & Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income area residents and contract opportunities for the performance of work by local businesses owned by and/or employing low income residents.

The coordination of all activities will be carried out by the NSP staff. CSHD will manage the due diligence required for property acquisition and construction management. All NSP 3 requirements, 75 FR 64322, will be adhered to and relegated to the developers for program compliance.

CSHD will be responsible for the following items:



- Conducting the environmental review;
- Issuing the purchase orders for all acquisition and appraisal services;
- Inspection/assessment and clearance;
- Approving acquisition of selected properties;
- Approving all eligible expenses;
- Processing all payments to non-profit developers;
- Assisting the promotion of the properties for the Housing Partners;
- Monitoring the Housing Partners to ensure quality and procedures are adhered to;
- Finalized Client Income Eligibility of homeowners.

The Non-Profit Developers will be responsible for the following items:

- Requesting title services, surveys and lead-based paint inspections;
- Identifying the selected properties within the designated areas;
- Managing the work contracts between developer and the County's qualified list of contractors;
- Bidding the work, inspecting the project work and issuing payments to contractors;
- Assisting in the promotion of the properties;
- Initial Client Income Eligibility;
- Assisting/Identifying clients that can gain financing for home purchases.

CSHD will subscribe annually to an annual subscription that provides information on foreclosed properties to aid in the support of property identification by the developer. The developer's staff will research the target areas for foreclosed properties, conduct a site visit to confirm vacancy, and document the judicial foreclosure of each property.

The Code Enforcement Department has a registry of distressed properties that is shared with CSHD, and the NSP developers will review and research target area properties on this list to find which are in lis pendens and any that are foreclosed. CSHD will track the properties in lis pendens as potential foreclosures in the target areas. Our partner agencies will also work with REO specialists to identify properties in the targeted areas. Developers will inspect the property once access is allowed and contract to purchase if property meets the standards. The Developer will forward all received initial appraisals to the CSHD Review Appraiser for concurrence of value before any offer to purchase is made. The CSHD staff will evaluate the documentation prior to approving the purchase based on factors such as cost to rehabilitate/rebuild, value with the required discount, and the environmental conditions of the site/area. The developer will notify the property owner (bank) of the value of the property based on the cost estimates. After acquisition, the developer must complete a work write up and cost estimate and then complete the environmental unspecified sites review. CSHD will issue purchase orders to the vendors on contract for the appraisal, title search, property survey and lead paint inspection/assessment, when applicable.

After the property is purchased, the Housing Partner will work with the CSHD construction inspector to ensure bidding of work is performed according to all NSP 3 requirements, 75 FR 64322 and will manage the construction process with pre-construction meetings, walkthroughs, inspection of work, and progress payments. CSHD staff and the County's Public Information Department will work with the Housing Partner to assist the developer to market the properties to eligible homebuyers.

The developer will be responsible for the ownership and management of the properties. This includes maintaining, securing and insuring the properties. They will work with the CSHD staff on the rehabilitation/demolition/rebuilding of the properties. They will also income qualify potential homebuyers and ensure the buyer receives eight (8) hours of one-on-one counseling. For multifamily projects, the developer will work with the selected property management consultant (or if the developer has the capacity to conduct this action in house) to rent the property to eligible households. In the case of the single family rentals, the developer will provide lease purchase options for the eligible household to acquire the homes for homeownership. The developer will initiate marketing plans after the initial closing with the lender and promote the properties at the county sponsored housing fair and listing the properties on the CSHD county website.

The County will allow for and pay for development fees that are fair and reasonable as part of the acquisition and rehabilitation process. Development fees and other soft/project related costs associated with the acquisition and rehab shall be considered "Project Delivery" cost and will be charged to the individual projects assisted.

Lake County will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA) which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 20 year affordability period.

All properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicants in the form of down payment and/or closing cost assistance.

For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:

- Up to \$15,000 = 5 Years
- \$15,000-\$40,000 = 10 Years
- Over \$40,000 = 15 Years

Location Description:

This activity will be carried out in the target areas as referenced in the attached maps identifying areas of greatest need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehab needed, and other criteria affecting costs.

Activity Progress Narrative:

The City of Leesburg has identified two single family rental properties and has acquired one property. Request for reimbursement is in process for the acquired property. LifeStream has also acquired one single family rental property located in Eustis and is in the process of reimbursement. LifeStream has not yet identified any additional single family rentals. The rehabilitation phase is expected to begin soon on both properties.

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
NSP 3	\$0.00
Total Other Funding Sources	\$0.00



Grantee Activity Number: 1 B

Activity Title: LH 25 Multifamily

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

06/30/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Acquisitionand Rehab

Projected End Date:

02/28/2013

Completed Activity Actual End Date:

Responsible Organization:

Lake County Board of County Commissioners

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$1,094,500.00
Total Budget	\$0.00	\$1,094,500.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$54,711.75	\$54,711.75
Lake County Board of County Commissioners	\$54,711.75	\$54,711.75
Match Contributed	\$0.00	\$0.00

Activity Description:

Lake County's Housing Division plans to use a minimum of \$460,000 for rental housing preference meet the 25% Set aside of low-income housing to purchase and rehab a 8-12 Unit apartment complex (Rental) of foreclosed units in areas of greatest need for rental to households at or below 50% of AMI. Market conditions indicate that there are many more foreclosed properties available than can be purchased with NSP funding. This activity is expected to benefit 8-12 low-income families for access to affordable rental. The housing market conditions in the areas identified for rental have long been disinvested and have decayed even more dramatically during the decline in the housing market. According to the Shimberg Center, there is a great need for decent, affordable housing in this area. Over 40% of persons living in this area are paying greater than 30% of their gross income for housing with some paying as much as 50% of their gross income for housing. Many of the housing are in substandard condition and this activity will increase the quality of living through providing decent, affordable housing. Many of the homes owned in the area are in disrepair coupled with absentee landlords. We are working with non-partner agencies that will develop these properties and provide supportive services to assist the families to increase their quality of living.

Location Description:

This activity will be carried out in the target areas as referenced in the attached maps identifying areas of greatest need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehab needed, and other criteria affecting costs.

Activity Progress Narrative:

The City of Leesburg has acquired a 12-unit multifamily rental property located in Leesburg. The City is in the bid process The rehabilitation of this project has not yet begun.



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

Grantee Activity Number: 2

Activity Title: Acquisition-LMMI

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

03/01/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Acquisitionand Rehab

Projected End Date:

02/28/2014

Completed Activity Actual End Date:

Responsible Organization:

Lake County Board of County Commissioners

Overall	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$572,000.00
Total Budget	\$2,079,730.00	\$572,000.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Lake County Board of County Commissioners	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Lake County Housing Devison plans to purchase 4 single family homes in the areas of greatest need for resale to households up to 120% AMI. Market conditions dictate that there are many more foreclosed properties available that can purchased with NSP funding.

The coordination of all activities will be carried out by the NSP staff. CSHD will manage the due diligence required for property acquisition and construction management. All NSP 3 requirements, 75 FR 64322, will be adhered to and relegated to the developers for program compliance.

CSHD will be responsible for the following items:

- Conducting the environmental review;
- Issuing the purchase orders for all acquisition and appraisal services;
- Inspection/assessment and clearance;
- Approving acquisition of selected properties;
- Approving all eligible expenses;
- Processing all payments to non-profit developers;
- Assisting the promotion of the properties for the Housing Partners;
- Monitoring the Housing Partners to ensure quality and procedures are adhered to;
- Finalized Client Income Eligibility of homeowners.

The Non-Profit Developers will be responsible for the following items:

- Requesting title services, surveys and lead-based paint inspections;
- Identifying the selected properties within the designated areas;
- Managing the work contracts between Developer and the County's qualified list of contractors;
- Bidding the work, inspecting the project work and issuing payments to the contractors;
- Assisting in the promotion of the properties;
- Initial Client Income Eligibility;
- Assisting/Identifying client that can gain financing for home purchases.



CSHD will subscribe annually to an annual subscription that provides information on foreclosed properties to aid in the support of property identification by the developer. The developer's staff will research the target areas for foreclosed properties, conduct a site visit to confirm vacancy, and document the judicial foreclosure of each property.

The Code Enforcement Department has a registry of distressed properties that is shared with CSHD, and the NSP developers will review and research target area properties on this list to find which are in lis pendens and any that are foreclosed. CSHD will track the properties in lis pendens as potential foreclosures in the target areas. Our partner agencies will also work with REO specialists to identify properties in the targeted areas. Developers will inspect the property once access is allowed and contract to purchase if property meets the standards. The Developer will forward all received initial appraisals to the CSHD Review Appraiser for concurrence of value before any offer to purchase is made. The CSHD staff will evaluate the documentation prior to approving the purchase based on factors such as cost to rehabilitate/rebuild, value with the required discount, and the environmental conditions of the site/area. The developer will notify the property owner (bank) of the value of the property based on the cost estimates. After acquisition, the developer must complete a work write up and cost estimate and then complete the environmental unspecified sites review. CSHD will issue purchase orders to the vendors on contract for the appraisal, title search, property lead paint inspection/assessment, when applicable.

After the property is purchased, the Housing Partner will work with the CSHD construction inspector to ensure bidding of work is performed according to all NSP 3 requirements, 75 FR 64322 and will manage the construction process with pre-construction meetings, walkthroughs, inspection of work, and progress payments. CSHD staff and the County's Public Information Department will work with the Housing Partner to assist the developer to market the properties to eligible homebuyers.

The developer will be responsible for the ownership and management of the properties. This includes maintaining, securing and insuring the properties. They will work with the CSHD staff on the rehabilitation/demolition/rebuilding of the properties. They will also income qualify potential homebuyers and ensure the buyer receives eight (8) hours of one-on-one counseling. For multifamily projects, the developer will work with the selected property management consultant (or if the developer has the capacity to conduct this action in house) to rent the property to eligible households. In the case of the single family rentals, the developer will provide lease purchase options for the eligible household to acquire the homes for homeownership. The developer will initiate marketing plans after the initial closing with the lender and promote the properties at the county sponsored housing fair and listing the properties on the CSHD county website.

The County will allow for and pay for development fees that are fair and reasonable as part of the acquisition and rehabilitation process. Development fees and other soft/project related costs associated with the acquisition and rehab shall be considered "Project Delivery" cost and will be charged to the individual projects assisted.

Lake County will ensure long term affordability through the use of a Land Use Restriction Agreement (LURA) which will be recorded against the property. If an owner, who has been assisted through this program, transfers title to the property before the affordability period expires, the assistance provided by the County will be subject to recapture. The County will annually monitor rental developments that are assisted with NSP funds during the affordability period to ensure that the specified units are affordable and that the property(s) continue to meet minimum housing quality standards. Rental units created or developed through the use of NSP funds will have a minimum 20 year affordability period.

All properties receiving NSP funding for homeownership will be secured by a recorded mortgage or land use agreement on the property, in favor of the County. When a Housing Partner sells a property to an eligible homebuyer, a portion of the mortgage may be transferred to the applicants in the form of down payments and /or closing cost assistance.

For homeownership assistance the County will follow the affordability period defined through the HOME program standards at 24 CFR 92.254, which establishes the minimum affordability period as listed below:

- Up to \$15,000 = 5 Years
- \$15,000-\$40,000 = 10 Years
- Over \$40,000 = 15 Years

This activity is expected to benefit 17 LMMI families for access to affordable homeownership. The housing market conditions in the areas identified for homeownership are located in modestly priced areas that continue to have an active market.

According to the Shimberg Center, the housing data supports a tremendous loss in homeownership for the areas identified. Many of the homes have been abandoned and in spite of activity in the real estate market, the neighborhoods will continue to decline without the assistance of this program. Without these funds, these middle class neighborhoods and homeowners who are desperately working to maintain their homes will continue to experience a loss in home value and further decline in the housing market. Many of the houses are in poor condition due to the length of time the homes have been unoccupied and this activity will increase the quality of living through providing a stabilizing force in the neighborhoods, reducing crime and code enforcement activities caused by abandonment of properties. We are working with non-partner agencies that have a long history of developing affordable homeownership opportunities and understand the specific challenges of serving this clientele. The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

Lake County will enforce Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992, requiring that recipients of financial assistance provided by the U.S. Department of Housing & Urban Development ("HUD"), including developers, owners, contractors and their subcontractors provide, "to the greatest extent feasible", training and employment opportunities for low income area residents and contract opportunities for the performance of work by local businesses owned by and/or employing low income residents.

Location Description:

This activity will be carried out in the target areas as referenced in the attached maps identifying areas of greatest need. After analysis within the target area, specific properties will be evaluated. Factors may include elements such as block location, amount of rehab needed, and other criteria affecting costs.

Activity Progress Narrative:

Homes in Partnership has identified three single-family properties. They have signed one contract that is awaiting approval and they have begun the acquisition process on the second property. No funds have been expended as of this QPR.

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
NSP 3	\$0.00
Total Other Funding Sources	\$0.00



Grantee Activity Number: 2B

Activity Title: LMMI Multifamily

Activity Category:

Acquisition - general

Project Number:

1

Projected Start Date:

01/01/2013

Benefit Type:

()

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Acquisition and Rehab

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

Lake County Board of County Commissioners

Overall

	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$839,500.00
Total Budget	\$0.00	\$839,500.00
Total Obligated	\$0.00	\$0.00
Total Funds Drawdown	\$0.00	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$0.00
Lake County Board of County Commissioners	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Acquisition and rehab of one multifamily facility for LMMI clients.

Location Description:

The property is located in a qualified vicinity close to shopping and bus routes so that residents can navigate easily to shopping, medical facilities and jobs.

Activity Progress Narrative:

LifeStream has acquired a 35-unit multi-family complex referred to as Julian Villas. Rehabilitation is expected to begin within 90 days.

Accomplishments Performance Measures

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

This Report Period
Total

Cumulative Actual Total / Expected
Total



# of Housing Units	0	0/16
# of Multifamily Units	0	0/16
# of Singlefamily Units	0	0/0

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

Address	City	County	State	Zip	Status / Accept
			Florida	-	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	



Grantee Activity Number: 3

Activity Title: Administration

Activity Category:

Administration

Activity Status:

Planned

Project Number:

2

Project Title:

Administration

Projected Start Date:

03/01/2011

Projected End Date:

02/28/2014

Benefit Type:

()

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

Lake County Board of County Commissioners

Overall

	Oct 1 thru Dec 31, 2012	To Date
Total Projected Budget from All Sources	N/A	\$319,958.00
Total Budget	\$319,958.00	\$319,958.00
Total Obligated	\$0.00	\$319,958.00
Total Funds Drawdown	\$12,517.32	\$92,101.78
Program Funds Drawdown	\$12,517.32	\$92,101.78
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$30,058.87	\$115,107.02
Lake County Board of County Commissioners	\$30,058.87	\$115,107.02
Match Contributed	\$0.00	\$0.00

Activity Description:

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and direct and indirect charges.

Location Description:

(Area or possible areas of greatest need where activity is being undertaken)

Activity Progress Narrative:

Administrative and operating expenses have been expended for this quarter. Staff continues to support the partner agencies with all phases of the acquisitions and rehabilitations.

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
NSP 3	\$0.00
Total Other Funding Sources	\$0.00

