

Grantee: New York City, NY

Grant: B-08-MN-36-0103

April 1, 2013 thru June 30, 2013 Performance Report



Grant Number:

B-08-MN-36-0103

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

New York City, NY

Contract End Date:

04/03/2013

Review by HUD:

Reviewed and Approved

LOCCS Authorized Amount:

\$24,257,740.00

Grant Status:

Active

QPR Contact:

Evan Seiler

Estimated PIRL Funds:

\$50,000.00

Total Budget:

\$24,307,740.00

Disasters:

Declaration Number

No Disasters Found

Narratives

Areas of Greatest Need:

The New York City Neighborhood Stabilization Home Ownership Program will use NSP funds to acquire and rehabilitate foreclosed and abandoned residential properties. The program may also establish financing mechanisms for the purchase and redevelopment of foreclosed and abandoned residential properties. These types of activities are CDBG eligible under 570.201(a) (b) and (d) and 570.202 for NSP eligible use a, b, d, and e. All units assisted will be occupied by households meeting the definitions of low, moderate and middle income as defined in the Housing and Economic Recovery Act of 2008. Funds will be available for households with incomes up to 120% of median income adjusted for household size, currently \$92,160 for a family of 4. The activities funded through NSP will be targeted to areas exhibiting the greatest needs. The areas targeted for assistance are primarily lower income communities experiencing a high number of foreclosed and abandoned properties and based on HUD data are ranked as areas with high foreclosure risk scores and highest percentage of high cost loan rates associated with sub prime lending. The communities of Jamaica, Bellerose/Rosedale, North Shore, Howard Beach/South Ozone Park, Kew Gardens/Woodhaven, Rockaways, South Shore, Bedford Stuyvesant, Jackson Heights, Williamsbridge/Baychester, East New York/Starrett City, Flatlands/Canarsie, Mid-Island, East Flatbush, Hillcrest/Fresh Meadows, Flushing/Whitestone, Soundview/Parkchester, Middle Village/Ridegwood, Bushwick, and Morrisania/East Tremont have been designated as areas of greatest need.

Distribution and Uses of Funds:

This approach will have several benefits. By targeting funds to specific communities, there will be a greater impact on the neighborhood and funds will be directed to communities where it is needed the most. Another expected benefit is that housing that is safe and decent will be made available to low, moderate and middle income households. To address the housing conditions, New York City will work with a non-profit and for profit housing developers to acquire vacant and/or foreclosed 1-4 and multifamily properties, rehabilitate the homes/buildings and sell or rent the homes to eligible low, moderate and middle income households.

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	\$24,307,740.00
Total Budget	\$0.00	\$24,307,740.00
Total Obligated	\$0.00	\$23,194,421.75
Total Funds Drawdown	\$0.00	\$22,837,825.75
Program Funds Drawdown	\$0.00	\$22,837,825.75
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$24,257,740.00
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	\$3,638,661.00	\$0.00
Limit on Admin/Planning	\$2,425,774.00	\$164,504.00
Limit on State Admin	\$0.00	\$164,504.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$6,064,435.00	\$6,064,434.75

Overall Progress Narrative:

Multifamily Developments

All multifamily activities in the NSP1 action plan have had legal closings and all expenditures have been reported in the prior QPR. Cypress Village (Activity Vacant Prop - 001) and 1070 Washington (Activity Vacant Prop - 003) are still under construction, although all NSP1 allocated funds have been expended. They are both more than 50% complete and beneficiary data will be reported on once the buildings are occupied.

REO Program

As of the end of Q2 2013, Restored Homes had acquired 95 NSP assisted properties for rehab. Fifty-two of these have sold to homebuyers and they contain 77 units of housing. Of these sold homes, 14 sales occurred in the 2nd quarter. In the REO Program, all NSP1 funds have been spent as of the end of Q1 2013. This includes all New York State HFA NSP1 funds sub-granted to HPD. The summary here includes HFA funded buildings but the accomplishment data submitted as part of this QPR is focused on the HPD assisted units, not the ones funded with HFA NSP1 funds.



Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
001-002, Neighborhood Homes	\$0.00	\$818,544.00	\$818,544.00
3, Homebuyer Assistance Loans	\$0.00	\$50,000.00	\$0.00
ADMIN - 001, ADMIN	\$0.00	\$521,100.25	\$164,504.00
Own Aban - 001, Owner-Abandoned Multifamily Property Strategy	\$0.00	\$5,245,890.75	\$4,182,572.75
REO - 001, Real Estate Owned (REO) Strategy	\$0.00	\$17,672,205.00	\$17,672,205.00



Activities

Grantee Activity Number:	REO - 002
Activity Title:	Real Estate Owned (REO) - Rehab.

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

REO - 001

Projected Start Date:

05/15/2009

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Real Estate Owned (REO) Strategy

Projected End Date:

03/20/2013

Completed Activity Actual End Date:

Responsible Organization:

NYCHPD

Overall	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$7,876,137.00
Total Budget	\$0.00	\$7,876,137.00
Total Obligated	\$0.00	\$7,876,137.00
Total Funds Drawdown	\$0.00	\$7,876,137.00
Program Funds Drawdown	\$0.00	\$7,876,137.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$7,876,137.00
NYCHPD	\$0.00	\$7,876,137.00
Restoring Urban Neighborhoods, LLC	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Real Estate Owned (REO) Strategy- 75% of NSP funds will partially fund a credit facility established to facilitate acquisition and rehabilitation of REO homes by nonprofit organizations with HPD oversight. Homes will be resold as affordable housing to families earning up to 120% of Area Median Income (AMI).

Location Description:

REO properties will be concentrated in the top 13 neighborhoods that have demonstrated the highest number of foreclosure auction listings resulting from mortgage and tax liens for residential properties in New York City (Bronx, Brooklyn, Queens and Staten Island).

Activity Progress Narrative:

Please note that the REO program spans 2 activities, and all beneficiary information is reported in this (REO-002) activity. As of the end of Q2 2013, Restored Homes had acquired 95 NSP properties for rehab. A subset of nine of these properties are considered New York State (NYS) homes and relate to NSP1 funds received by NYS that has been used to support the REO program. The demographic and accomplishment data related to the homes assisted with NYS funds are available in their NSP1 QPR.

Fifty-two of the 95 NSP acquired homes have sold to eligible homebuyers, and since five of these are considered NYS homes, HPD is reporting 47 homes assisted. These homes, including inhabited rental units consist of 65 assisted units. Fourteen HPD home sales occurred in the 2nd quarter, 2013.



There exist 43 homes still to be sold in the program, and 4 of these are NYS homes, leaving 39 HPD homes to be sold. 23 of these homes have either entered into a sales contract or have been offered to a prospective buyer, and closings have continued apace in the first part of Q3 2013.

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Properties	13	47/95

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	16	65/156
# of Singlefamily Units	16	65/156

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	2	14	16	8/0	58/156	66/156	100.00
# Owner Households	0	13	13	1/0	46/95	47/95	100.00
# Renter Households	2	1	3	7/0	12/61	19/61	100.00

Activity Locations

Address	City	County	State	Zip	Status / Accept
714 Jerome St	Brooklyn		New York	11207-7504	Match / Y
10211 Farmers Blvd	Hollis		New York	11423-3125	Match / Y
11434 147th St	Jamaica		New York	11436-1113	Match / Y
11535 146th St	Jamaica		New York	11436-1112	Match / Y
11838 Long St	Jamaica		New York	11434-2138	Match / Y
14002 Linden Blvd	Jamaica		New York	11436-1032	Match / Y
14333 Glassboro Ave	Jamaica		New York	11435-5609	Match / Y
16212 109th Ave	Jamaica		New York	11433-2835	Match / Y
9414 Forbell St	Ozone Park		New York	11416-1035	Match / Y
12204 111th Ave	South Ozone Park		New York	11420-1416	Match / Y
18737 Hilburn Ave	St Albans		New York	11412-1947	Match / Y
19041 118th Ave	St Albans		New York	11412-3340	Match / Y
8 Grove Pl	Staten Island		New York	10302-1612	Match / Y
87 Blackford Ave	Staten Island		New York	10302-1618	Match / Y

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:	Vacant Prop - 001
Activity Title:	Vacant Site Redevelopment: Cypress Village - LH25

Activity Category:

Construction of new housing

Project Number:

Own Aban - 001

Projected Start Date:

09/15/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Owner-Abandoned Multifamily Property Strategy

Projected End Date:

03/20/2013

Completed Activity Actual End Date:

Responsible Organization:

Cypress Hills LDC

Overall	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$1,145,931.00
Total Budget	\$0.00	\$1,145,931.00
Total Obligated	\$0.00	\$1,145,931.00
Total Funds Drawdown	\$0.00	\$1,145,931.00
Program Funds Drawdown	\$0.00	\$1,145,931.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$1,145,931.00
Cypress Hills LDC	\$0.00	\$0.00
NYCHPD	\$0.00	\$1,145,931.00
Match Contributed	\$0.00	\$0.00

Activity Description:

On November 16, 2010 HPD received a "Notice of Noncompliance of Obligation" letter from the HUD field office. The Grattan St project was found to be ineligible for obligation compliance because the foreclosure auction had yet to occur. As a cure, HPD suggested obligating the funds originally dedicated to the Grattan St project for the Cypress Village project, which was already an approved NSP I activity. HUD responded affirmatively to this suggested course of action and the \$345,931.25 that was intended for Grattan St will be used in Cypress Village. HPD issued a notice terminating the NSP Loan Agreement with the sponsor and is executing an amendment to the NSP Loan Agreement with the Cypress Village sponsor to reflect the increase in funds. The original activity description is below.

Cypress Homes HDFC Development Corporation expects to acquire and develop three vacant non-contiguous City-owned lots in the East New York section of Brooklyn, New York into twenty-nine apartments — twelve in the first building, nine in the second, and eight in the third. The apartments will provide safe, energy-efficient, and affordable housing to low-income families. The 23 two-bedroom and 6 three-bedroom rental units will be affordable to families earning between 40% and 60% of AMI. Eight two-bedroom will be the NSP-designated units and will conform to applicable low-income set-aside restrictions.

The total development cost for the project is expected to be approximately \$10 million, and is expected to be funded by HOME and NSP funds from HPD, Reso A capital funds, and grants from State Senator Martin Dilan, La Raza Development Fund (RDF), TD Bank, Home Depot Foundation, Enterprise Green Communities, and Local Initiatives Support Corporation (LISC) green grants. In addition, CHLDC applied to HPD for a 9% Low Income Housing Tax Credit (LIHTC) allocation of approximately \$725,000 — awards will be announced in late September. Construction financing will be supplied by the Community Preservation Corporation (CPC) and National Equity Fund (NEF) will serve as our syndicator.

In addition, Cypress Village is our greenest project. The project meets and, in some cases, exceeds, NYSERDA's multi-



family performance program standards. The sustainable features in the project include: blown-in insulation, Energy Star windows, optimally efficient heating and cooling systems, water-saving fixtures such as dual-flush toilets, as well as recycled-content tiles and countertops and bamboo floors. This would reduce the operating costs of the building, ensuring ongoing affordability for its tenants.

Location Description:

Site 1: 371 Van Siclen Ave, Brooklyn, NY
 Site 2: 525 Linwood St, Brooklyn, NY
 Site 3: 315 Jerome St, Brooklyn, NY

With the exception of the 315 Jerome St site, the sites are all undeveloped, vacant properties that are currently fenced in. The East New York neighborhood has historically had many underdeveloped properties but neighborhood conditions have improved slowly over the last several decades with subsidized affordable housing.

371 Van Siclen Ave is a rectangular-shaped lot on the east side of Van Siclen Avenue between Belmont and Sutter Avenues. The site is generally level at grade and improved with all available public utilities including city sewers. The northern, southern, eastern, and western portions of the block are occupied primarily by residential uses including mainly three-and four-story attached single-family and multi-family residential buildings. In addition, the northern portion of the block contains a church. Van Siclen Avenue is a one-way, northbound thoroughfare carrying light to medium vehicular traffic. The street is improved with an asphalt surface, concrete sidewalks and curbs. On-street, alternate side street parking is permitted.

315 Jerome Street is a rectangular-shaped lot on the east side of Jerome Street between Glenmore and Pitkin Avenues. The site has a two-story concrete block building which has been abandoned for years. CHLDC will demolish the building upon obtaining the permit. Demolition is expected to be done by December, 2009. The site is generally level at grade and improved with all available public utilities including city sewers. The northern, southern, eastern, and western portions of the block are occupied primarily by residential uses including mainly three-and four-story attached single-family and multi-family residential buildings. In addition, the northern part contains some retail establishments including grocery stores. Jerome Street is a one-way, northbound thoroughfare carrying light vehicular traffic. The street is improved with an asphalt surface, concrete sidewalks and curbs. On-street, alternate side street parking is permitted.

525 Linwood Street is a rectangular-shaped lot on the southeast corner of Linwood Street and Belmont Avenue. The site is generally level at grade and improved with all available public utilities including city sewers. The northern, southern, eastern, and western portions of the block are occupied primarily by residential uses including mainly three-and four-story attached single-family and multi-family residential buildings. In addition, the northern portion of the block contains some commercial establishments; the southern portion of the block contains some retail stores, parking lots, and the 75th police precinct. Linwood Street is a one-way, southbound thoroughfare carrying light vehicular traffic and Belmont Avenue is an eastbound street with light vehicular traffic. The street is improved with an asphalt surface, concrete and crushed stone sidewalks and concrete curbs. On-street, alternate side street parking is permitted.

Currently, these sites are used as illegal dumping grounds and destinations for youth to congregate and loiter. In the absence of this project, these lots would continue to remain vacant and underutilized. These properties would not only be an eye sore, but a potential health hazard and devalue the neighborhood. The proposed project would not only fulfill affordable housing needs but also promote area revitalization.

Activity Progress Narrative:

For Cypress Village, \$1,145,931 in NSP1 funds will support five units in the development which are each slated as affordable to households with incomes at or below 50% of area median income. In Q1 2013, the remaining amount of NSP1 funds allocated to this project was expended and the funds were drawn down in DRGR after proper backup documentation was assembled and reviewed.

Construction on this new development is approximately 50% complete. Construction will continue through subsequent quarters and renter demographic information will be compiled and completed here once the building is inhabited, which should occur in late 2013. Another funding source for this development is NSP3 funds. These funds have already been fully expended.

Accomplishments Performance Measures

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



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/29

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total Low/Mod%	
# of Households	0	0	0	0/29	0/0	0/29	0

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:	Vacant Prop - 003
Activity Title:	Vacant Site Redevelopment: 1070 Washington - LH25

Activity Category:

Construction of new housing

Project Number:

Own Aban - 001

Projected Start Date:

02/02/2012

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Owner-Abandoned Multifamily Property Strategy

Projected End Date:

02/11/2013

Completed Activity Actual End Date:

Responsible Organization:

NYCHPD

Overall	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$1,063,318.00
Total Budget	\$0.00	\$1,063,318.00
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	\$1,063,318.00
NYCHPD	\$0.00	\$1,063,318.00
Match Contributed	\$0.00	\$0.00

Activity Description:

La Preciosa (the prospective building name) is located at 1070 Washington Avenue in the Morrisania community of the Bronx. The site consists of a vacant privately-owned parcel comprising approximately 12,618 square feet. 1070 Washington will consist of both 27 non-public housing units, 21 public housing units and one superintendent's unit, for a total of 49 residential units. Twenty-seven (27) units will be rented to low-income households earning at or below 60% of AMI, consisting of sixteen (16) studios, six (6) 1-BRs and five (5) 2-BR apartments. Twenty percent of the entire project units or ten (10) of the studio units will be rented to homeless households earning at or below 40% of AMI but will be underwritten at 60% AMI. NSP1 funds will support four (4) unit which will be counted as part of the NSP1 grant's 25% set aside for 50% AMI units.

Location Description:

The development will be constructed on currently vacant land, which is located at 1070 Washington Avenue in the Morrisania community of the Bronx. This is an area of greatest need in NYC for NSP1 purposes. The neighborhood is largely residential.

Activity Progress Narrative:

Construction continues on this development, although all NSP1 funds have been expended in prior quarters. We continue to monitor construction and will report on accomplishments and demographics once the building has been completed and is inhabited. The project is just over 50% complete at this point and construction is estimated to be completed in December, 2013.



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

