

Grantee: New York City, NY

Grant: B-09-LN-NY-0007

April 1, 2013 thru June 30, 2013 Performance Report



Grant Number:

B-09-LN-NY-0007

Obligation Date:**Award Date:**

02/11/2010

Grantee Name:

New York City, NY

Contract End Date:

02/11/2013

Review by HUD:

Reviewed and Approved

Grant Amount:

\$20,059,466.00

Grant Status:

Active

QPR Contact:

Evan Seiler

Estimated PI/RL Funds:

\$45,000.00

Total Budget:

\$20,104,466.00

Disasters:

Declaration Number

No Disasters Found

Narratives

Executive Summary:

The New York City Neighborhood Stabilization Program 2 will use stimulus funds to help partners across the city acquire and rehabilitate 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, which first established the Neighborhood Stabilization Program. Funds will be available for households with incomes up to 120% of median income adjusted for household size, currently \$99,600 (as of FY 2012) for a family of 4.

Target Geography:

In order to target our efforts, maximize the potential impact of our activities, and stabilize communities, HPD analyzed census tracts in NYC to identify explicitly where foreclosures and vacancies are located at present. HPD used the HUD foreclosure risk methodology, as well as the most recent property-level data on foreclosure notices and scheduled foreclosure auctions. From this research, HPD identified the 96 census tracts most in need of the interventions. The targeted areas include Southeast Queens, Central Brooklyn, and the North Shore of Staten Island.

Program Approach:

Based on HPD's analysis, our NSP2 activities seek to arrest the negative impacts of foreclosure and vacancy of homes, residential and mixed-use buildings, and other properties. The application addresses (1) areas with an existing or expected supply of foreclosed properties available for purchase and (2) areas with vacant properties that have languished without the funding necessary for redevelopment or sale to bring these properties back into productive use. Specifically, our programs include: down-payment and rehabilitation assistance; mixed-used housing assistance, and stalled and vacant site development in the New York City target geography. In addition, 25% of the grant will be set aside for projects housing individuals and families whose incomes do not exceed 50 percent of area median income.

>

>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.

Consortium Members:

How to Get Additional Information:

<http://www.nyc.gov/html/hpd/html/pr/NSP.shtml>

Overall

Total Projected Budget from All Sources

This Report Period

N/A

To Date

\$21,595,744.37



Total Budget	\$0.00	\$20,075,744.37
Total Obligated	\$12,931.96	\$14,298,671.41
Total Funds Drawdown	\$50,000.00	\$14,298,671.41
Program Funds Drawdown	\$45,740.52	\$14,265,387.38
Program Income Drawdown	\$4,259.48	\$33,284.03
Program Income Received	\$8,663.33	\$37,687.88
Total Funds Expended	\$280.52	\$20,075,744.37
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	\$0.00	\$0.00
Limit on Admin/Planning	\$2,005,946.60	\$778,511.20
Limit on State Admin	\$0.00	\$778,511.20

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$2,005,946.60	\$800,000.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$5,014,866.50	\$7,878,508.00

Overall Progress Narrative:

HPD reached the NSP2 100% expenditure deadline during Q1 2013. All multi-family activities had closed in quarters preceding Q1 2013, and for these, where it had not already occurred, expenditures were made in full by the February 11, 2013 expenditure deadline. The second quarter of 2013 did not see much progress to report, as we are now waiting for the buildings under construction to see residential units become inhabited before reporting on beneficiary data.

DCA Central Brooklyn: This development closed on financing at the end of December, 2011. The \$6.5mm of NSP2 funds supported the acquisition of a 27 building scatter site development containing 216 units. Specifically, NSP2 assistance was provided to 128 units in the 16 NSP2-eligible buildings. The new owner/developer, Omni New York LLC has taken possession of the buildings, which are remaining in the New York State Mitchell Lama affordable housing program. At the closing, the entirety of the NSP2 funds was expended. All funds related to this activity have been drawn down. Beneficiary data will be available in Q3 2013.

MHANY Hopkinson Cluster: Using \$1.6 million in NSP2 funds, Mutual Housing Association of New York Management Inc. is constructing 26 units of rental housing across 7 buildings in Brooklyn for tenants earning between 40% and 70% of AMI. The development had a loan closing in June of 2012, and construction began in early July. All NSP2 funds were expended by the NSP2 expenditure deadline. Construction continues using other funding sources as planned and when the buildings are completed and occupied, HPD will be reporting on beneficiary information related to the assisted units. Marketing efforts continue and it is expected that occupancy



can begin later this year.

Housing Works: The non-profit group Housing Works is using NSP2 funds to develop twelve (12) units of supportive housing at 874 Jefferson Avenue in Brooklyn. The entire project is affordable to residents earning less than 50% of AMI. This project closed on NSP2 financing in July of 2011. All funds have been expended here prior to the NSP2 expenditure deadline, with the last portion of NSP2 funds being released upon the development receiving its Temporary Certificate of Occupancy. Once occupancy has occurred and the details have been reviewed, beneficiary detail will be reported.

Noel Pointer Apartments: Bridge Street Development Corporation successfully closed on all financing in the 3rdquarter of 2011 for this new construction project on vacant land. All NSP2 funds were expended by the NSP2 spending deadline, and nearly all of it has been drawn down in DRGR by the end of Q1 2013. The Final Certificate of Occupancy was issued in Q2 2013, and beneficiary data on the 23 assisted units will be entered as it becomes available.

Dean Atlantic: NSP2 provided funding for the acquisition of four buildings totaling seven units of foreclosed multifamily in neighboring census tracts. All NSP2 funds were expended at the closing which occurred in Q1 2012. Four of the seven buildings that are part of this development are located in NSP2 eligible census tracts and these NSP2 buildings contain seven units.

Berean Apartments HDFC: HPD provided \$1.35mm of NSP2 funds to this new construction development in the Bedford-Stuyvesant/Weeksville area of Brooklyn, leveraging other sources of funding, including tax credit equity. The NSP2 funds were used for acquisition and closing costs for what will be a 106 unit affordable rental building of which a subset of 3 units are deemed 50% AMI NSP2 units, and 81 units are deemed Low and Moderate NSP2 units. This construction closing occurred in Q1 2012, and all NSP2 funds were expended prior to the NSP2 expenditure deadline. By the end of Q1 2013, all NSP2 funds related to this development have been drawn down in DRGR.

Truxton St: HPD provided \$1.52mm of NSP2 funds to a new construction affordable rental development that will also offer supportive services to tenants. The building will have 48 units when completed, and a sub-set will be deemed to have been assisted by NSP2 funds. Some of the NSP2 funds were expended at the closing, which occurred in late June. The remaining NSP2 funds were expended prior to the NSP2 expenditure deadline. Funds related to this activity will be drawn in the coming months once the internal review is complete.

New York Mortgage Coalition Homebuyer Assistance Program: The New York Mortgage Coalition, as a subrecipient, implemented a \$1.14 million homebuyer assistance program, exclusive of administration costs. The NYMC worked with a group of neighborhood non-profit organizations including NHS, the Pratt Area Community Council, the Cypress Hills LDC, and the Northfield Community LDC of Staten Island. These neighborhood-based non-profit partners provided homeownership counseling and assisted potential buyers with the home-buying process. Based on the original program plan, approximately 45 homes were envisioned to be purchased using NYMC Homebuyer Assistance Loans, however as the program developed and in recognition of the slower pace of acquisition that was possible, HPD revised this program in its action plan which was approved by HUD. Some of the funds were redeployed to an REO program that was acquiring foreclosed homes from bank ownership, and assisting in their redevelopment and disposition to income eligible homebuyers. The NYMC program ultimately assisted in the acquisition of 19 homes containing 25 units of housing (some homes contained rental units in addition to the homeowner unit). Of these, 14 homes containing 17 units are deemed assisted for the purposes of this program with the others counted under a separate program funded with NSP1 funds. Most of these units were inhabited by the end of Q1 2013 and the beneficiary data was entered into this QPR. Beneficiary data on any outstanding units will be reported as the information becomes available.

The activity related to the REO property acquisition/rehab resulted in 16 homes containing 20 units of housing being positioned for sale to income eligible homebuyers and the four rental units being maintained as affordable to eligible tenants. Five of these properties have sold by the end of Q2 2013, and these properties, and two rental units contained therein have been reported in the beneficiary section of this QPR.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
01, Homebuyer Assistance to low- and moderate-income	\$45,740.52	\$1,143,322.37	\$1,131,193.69
02, Construction of new housing	\$0.00	\$7,079,814.00	\$4,256,727.53



03, Rehabilitation/reconstruction of residential structures	\$0.00	\$3,052,608.00	\$115,761.80
04, Acquisition	\$0.00	\$8,000,000.00	\$8,000,000.00
05, Administrative Costs	\$0.00	\$800,000.00	\$761,704.36



Activities

Grantee Activity Number:	01 - NYMC - LMMI
Activity Title:	Financing Mechanism: Homebuyer Assistance

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

01

Projected Start Date:

06/11/2010

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Homebuyer Assistance to low- and moderate-income

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	\$1,143,322.37
Total Budget	\$0.00	\$1,143,322.37
Total Obligated	\$12,931.96	\$1,143,322.37
Total Funds Drawdown	\$50,000.00	\$1,143,322.37
Program Funds Drawdown	\$45,740.52	\$1,131,193.69
Program Income Drawdown	\$4,259.48	\$12,128.68
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$280.52	\$1,143,322.37
NYCHPD	\$280.52	\$1,143,322.37
Match Contributed	\$0.00	\$0.00

Activity Description:

The New York Mortgage Coalition (NYMC), as a subrecipient, will implement a \$1,143,041.85 million homebuyer assistance program which will be used to write down individual homebuyers' mortgage costs. Assistance per NSP2-eligible house will range between \$50,000 and \$80,000. The NYMC will oversee a group of neighborhood non-profit organizations including NHS, the Pratt Area Community Council, the Cypress Hills LDC, and the Northfield Community LDC of Staten Island. These neighborhood- based, non-profit partners will provide homeownership counseling and assist potential buyers with all steps of the home-buying process. It is estimated that the program will help roughly 14 individuals and families purchasing vacant or foreclosed homes and an additional 3 units of rental housing within the 14 owner-occupied homes. All homes will be in the New York City neighborhoods most impacted by the foreclosure crisis.

Under the terms of the subrecipient agreement between NYMC and HPD, 2 NYMC employees who are working exclusively on the housing program funded by the NSP2 grant will be paid by HPD's NSP2 admin funds. This is reflected in more detail in the NSP2 action plan under the admin line (project #5). The program funds and administration funds dedicated to NYMC staff equate to \$1.14mm. This program has been reduced by over \$2.5mm since its inception and these funds have been repurposed to support a separate homebuyer assistance program detailed in the NSP2 action plan.

Location Description:

NSP2 funds will be used in the 96 census tracts in New York City most severely impacted by foreclosures.

Activity Progress Narrative:

All NSP2 expended funds have been drawn down in this activity and additional beneficiary data will be reported as it becomes



available.

Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
		Total		Total
# of Housing Units		0		10/17
# of Singlefamily Units		0		10/17

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	8/17	8/17	100.00
# Owner Households	0	0	0	0/0	8/17	8/17	100.00

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP 2	\$0.00
Total Other Funding Sources	\$0.00



Grantee Activity Number:	02c - Noel Pointer - LH25
Activity Title:	Vacant Site Redevelopment: Noel Pointer Apartments

Activity Category:

Construction of new housing

Project Number:

02

Projected Start Date:

06/15/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Construction of new housing

Projected End Date:

02/01/2013

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	\$2,599,000.00
Total Budget	\$0.00	\$2,599,000.00
Total Obligated	\$0.00	\$2,594,550.14
Total Funds Drawdown	\$0.00	\$2,594,550.14
Program Funds Drawdown	\$0.00	\$2,590,201.63
Program Income Drawdown	\$0.00	\$4,348.51
Program Income Received	\$8,663.33	\$37,687.88
Total Funds Expended	\$0.00	\$2,599,000.00
NYCHPD	\$0.00	\$2,599,000.00
Match Contributed	\$0.00	\$0.00

Activity Description:

The Noel Pointer Apartment project is being developed by Bridge Street Development Corporation, a Brooklyn based non-profit. HPD has lent Bridge Street \$2.599 million in NSP2 funds to close on financing for a new construction project on vacant land. This land is being developed as a 23 unit low-income rental project. NSP funds support nine of these units for residents earning less than 50% of AMI. The non-profit developer has assembled other sources of financing to complete this project including federal Low Income Housing Tax Credits.

Location Description:

This development is in the Bedford Stuyvesant neighborhood in central Brooklyn. The specific census tract has an NSP3 need score of 18, above the need score threshold of 16 for New York State. The estimated mortgage delinquency rate for this site is 14.3%. The address is 790 Lafayette Avenue, 11221 Brooklyn, NY.

Activity Progress Narrative:

Construction has completed and beneficiary data is being collected. HPD will report on this information once it has been reviewed.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
#Units with bus/rail access	0	0/9



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/9
# of Multifamily Units	0	0/9

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/9	0/0	0/9	0
# Renter Households	0	0	0	0/9	0/0	0/9	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: 03a - REO - LMMI

Activity Title: Acquisition/Rehab of REO Properties

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

03

Projected Start Date:

01/01/2012

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Rehabilitation/reconstruction of residential structures

Projected End Date:

12/31/2013

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	\$2,800,000.00
Total Budget	\$0.00	\$2,800,000.00
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	\$2,800,000.00
NYCHPD	\$0.00	\$2,800,000.00
Match Contributed	\$0.00	\$0.00

Activity Description:

NSP2 funds will be used as a financing mechanism to support the REO Homes Program, which is also funded with proceeds from HPD's NSP1 grant, NY State's NSP1 grant, and private bank loans. In the REO Program, a non-profit entity, RUN LLC, uses public and private funding to acquire and rehabilitate homes in hardest hit areas that had been foreclosed upon and subsequently owned by various bank groups. After the rehabilitation process is complete, RUN LLC sells the home to an income eligible buyer and restricts any non-owner occupied units to income eligible tenants. The funding from NSP2, in an amount of \$2.8mm, will be used to fund acquisition and rehabilitation costs that have been expended on NSP2 eligible homes in anticipation of their resale to NSP2 eligible homebuyer. The allocation of the NSP2 funds to this existing REO Program will allow the program to expand and acquire more vacant and foreclosed homes from banks than would have been otherwise permitted and it also makes it possible for the seller, RUN LLC, to pursue deeper sales price write-downs to hasten the reoccupation of these homes.

Location Description:

Any home in NSP2 eligible census tracts is targetted in the REO Program, but the largest concentration of homes purchased from banks under this program has been in the Jamaica neighborhood of Queens.

Activity Progress Narrative:

The activity related to the REO property acquisition/rehab resulted in 16 homes containing 20 units of housing being positioned for sale to income eligible homebuyers and the four rental units being maintained as affordable to eligible tenants. Five of these properties have sold by the end of Q2 2013, and these properties, and two rental units contained therein have been reported in the beneficiary section of this QPR.



Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	7		7/20	
# of Singlefamily Units	7		7/20	

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	1	6	7	1/0	6/20	7/20	100.00
# Owner Households	0	5	5	0/0	5/16	5/16	100.00
# Renter Households	1	1	2	1/0	1/4	2/4	100.00

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	