

Grantee: New York City, NY

Grant: B-08-MN-36-0103

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-36-0103

Obligation Date:**Grantee Name:**

New York City, NY

Award Date:**Grant Amount:**

\$24,257,740.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:**Declaration Number**

NSP

Plan Description:

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.

Recovery Needs:

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.

Overall**This Report Period****To Date****Total Projected Budget from All Sources**

N/A

\$736,434.68

Total CDBG Program Funds Budgeted

N/A

\$736,434.68

Program Funds Drawdown

\$0.00

\$0.00

Obligated CDBG DR Funds

\$0.00

\$0.00

Expended CDBG DR Funds

\$0.00

\$0.00

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	\$99.99	\$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	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

New York City Department of Housing Preservation and Development began organizing its NSP activities in March, 2009. Progress continues to be made in setting up the legal, financial and programmatic structures for implementing these activities.

A full time Project Manager was assigned to the NSP program beginning in April, 2009 and continues the work of the staff that crafted the NSP application and Consolidated Plan amendment. Additionally, legal, architectural and other staff were identified to assist in implementation of NSP activities beginning in March. The following are the substantial accomplishments completed by NYC during the first reporting period.

- Staffing: One full time Program Manager was assigned to focus full time on NSP activities and coordinate supporting staff
- Funding: NYC began the process of leveraging the NSP funds by soliciting requests from banks and financial institutions to lend funds to the NSP credit facility. The additional funding will boost the efficacy of the NSP funds in purchasing and rehabilitating 1-4 family homes in the neighborhoods facing the highest rates of foreclosures. As a result of this effort, \$32M of private capital was leveraged by the NSP funds. Documents to finalize credit facility funding mechanism are in the midst of being processed and the credit facility should close before the end of November, 2009.
- Strategy: HPD and the developer, Restored Homes, finalized a process for selecting homes in a manner that maximizes neighborhood stabilization impact.
- Pipeline: As part of its Owner Abandoned Multi- Family Strategy, HPD has begun negotiating dispositions with lenders holding mortgages on multifamily properties identified in the City's NSP Action Plan.
- Administrative:
 - HPD and Restored Homes issued an RFQ for potential contractors, architects and community partners seeking work on the REO portfolio
 - HPD finalized forms and protocols for complying with the HUD environmental review requirements and conveyed these requirements to the developers.

Project Summary

Project #, Project Title

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
ADMIN - 001, ADMIN	\$0.00	\$0.00	\$24,257,740.00	\$0.00
Own Aban - 001, Owner-Abandoned Multifamily Property Strategy	\$0.00	\$0.00	\$0.00	\$0.00
REO - 001, Real Estate Owned (REO) Strategy	\$0.00	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number:	Own Aban - 001
Activity Title:	Owner Abandon Multi Family Property - Acquisition

Activity Category:

Acquisition - general

Project Number:

Own Aban - 001

Projected Start Date:

05/15/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Owner-Abandoned Multifamily Property Strategy

Projected End Date:

03/20/2013

Responsible Organization:

NYCHPD

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$0.00
Total CDBG Program Funds Budgeted	N/A	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Owner-Abandoned Multifamily Property Strategy- 25% of NSP funds will be used in existing HPD programs such as 7A and the Alternative Enforcement Program (AEP) targeting families earning up to 50% AMI. 7A is a management and financing program for privately owned buildings that have been abandoned by their owners. AEP is an enforcement and emergency repair program used to address unacceptable housing maintenance conditions in distressed multiple dwellings. HPD will utilize NSP to fund private building administrators to acquire and rehabilitate abandoned and foreclosed properties, assisting renters affected by the subprime and foreclosure crisis.

Location Description:

Neighborhood stabilization efforts targeting renters earning up to 50% AMI will overlap with areas identified as having the greatest need. All 11 properties identified for NSP funding in the 7A pipeline are located in neighborhoods listed in the greatest need ranking chart.

Activity Progress Narrative:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/7

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
