

Grantee: Palmdale, CA

Grant: B-08-MN-06-0515

April 1, 2010 thru June 30, 2010 Performance Report

Grant Number:

B-08-MN-06-0515

Obligation Date:**Grantee Name:**

Palmdale, CA

Award Date:**Grant Amount:**

\$7,434,301.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Original - In Progress

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Plan Description:

The areas of greatest need are the urban neighborhoods and consist of 35 of the 70 block groups in the City of Palmdale. The eligible block groups have over 51% of the population has income of 120% or less of the area median income, and have a HUD assigned risk factor of 7 to 9. Block groups with a risk factor of 10 are rural areas and primarily vacant land.

Recovery Needs:

The funds will be used in eligible block groups identified with a HUD risk factor of 7 to 9 and a high concentration of homes financed by subprime mortgage related loans, high percentage of home foreclosures, and areas likely to face a significant rise in the rate of home foreclosures. The funds will be used for acquisition and rehabilitation of foreclosed residences, both multi-family and single family residences, demolition of blighted structures, and a land bank. Census tracts/block groups: 910201-1,2; 910206-1; 910402-1,2; 910403-1; 910404-1,2; 910501-1,2,3; 910502-1,2; 910503-1,2,4; 910601-1,2,3; 910602-1; 910603-1,2,3,4; 910604-2,3,4; 910703-1,2; 910705-1,2; 910706-1; 910707-1;; 910710-3,4.

Overall**This Report Period****To Date**

Total Projected Budget from All Sources	N/A	\$7,434,301.00
Total CDBG Program Funds Budgeted	N/A	\$7,434,301.00
Program Funds Drawdown	\$46,710.16	\$105,060.58
Obligated CDBG DR Funds	\$0.00	\$743,430.00
Expended CDBG DR Funds	\$12,413.61	\$117,474.19
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	\$1,115,145.15	\$0.00
Limit on Admin/Planning	\$743,430.10	\$117,474.19
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

Acquisition, Rehabilitation and Disposition (Incomplete) - City to acquire, rehabilitate and dispose of residential properties for housing those less than 120% of AMI. Subsequent to prior efforts that did not result in acquisition of eligible properties, City has entered into an MOU with the National Community Stabilization Trust (NCST) to acquire single family residential properties to complete this activity.

Acquisition, Rehabilitation, Disposition 25% Set Aside (Incomplete) - City to acquire, rehabilitate and dispose of residential properties for housing those less than 50% of AMI. Subsequent to prior efforts that did not result in acquisition of eligible properties, City has entered into an MOU with the NCST to acquire single family residential properties to complete this activity. City has submitted 6 offers to FNMA for single family residences and awaiting response.

Demolition (Incomplete) - City to demolish blighted structures.

Landbanking (Incomplete) - City to acquire and landbank abandoned and foreclosed properties.

Administration (Incomplete) - City is using 10% of NSP funds to administer the program.

Acquisition - Redevelopment - (Incomplete) - City will redevelop through acquisition, rehabilitation, including reconstruction, and disposition of vacant properties for housing.

Acquisition, Rehabilitation for Public Facility (Incomplete) - City to acquire a vacant commercial building to redevelop into a public facility to house the City's public service providers who provide essential services to households earning 80% or less of AMI. Appraisals, title reports have been obtained for commercial property under consideration. Planning Commission has a finding of conformance with the general plan in May 2010 for Commercial Building and 56 unit apartment complex.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
2008-0001, Rehabilitation	\$0.00	\$3,390,871.00	\$0.00
2008-0003, Clearance and Demolition	\$0.00	\$150,000.00	\$0.00
2008-0004, Land Banking - Acquisition	\$0.00	\$200,000.00	\$0.00
2008-0005, Administration	\$46,710.16	\$743,430.00	\$105,060.58
2008-006, Redevelop demolished or vacant properties	\$0.00	\$2,950,000.00	\$0.00

Activities

Grantee Activity Number:	2008-001
Activity Title:	Acquisition, Rehabilitation, Disp

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

2008-0001

Project Title:

Rehabilitation

Projected Start Date:

01/01/2009

Projected End Date:

12/31/2014

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$1,532,291.00
Total CDBG Program Funds Budgeted	N/A	\$1,532,291.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Acquisition, rehabilitation, and disposition of vacant units. Residential property will be acquired at a minimum discount of 1%. The affordability period will be within the HOME Investment Partnership regulations of up to 20 years and will require covenants to be recorded on the properties. If other funding sources are utilized for rehabilitation or redevelopment covenants longer in duration may be recorded on the property. If multi-family residential units are acquired, they will remain rental units. If single-family residential units are acquired, they will remain owner occupied units. Beneficiaries of this activity will be households with up to 120% of area median income. The estimated time to acquire, rehabilitate, and dispose of an average property is two years. The City will monitor the properties for owner occupancy in a single family home or income qualification in a multi-family property and other requirements on an annual basis.

Location Description:

Eligible Census Tracts and Block Groups with Risk Factor of 7 to 9 as listed in "Recovery Need" section.

Activity Progress Narrative:

City is working with NCST on approval of standard purchase agreements for Wells Fargo and Freddie Mac. Planning Commission had a finding of conformance May 2010 on 56 unit apartment complex. City is continuing its due diligence and requested appraisal. 17 offers have been submitted to FNMA for single family residences. Awaiting responses.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/18
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/18

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: 2008-002

Activity Title: Acquisition, Rehab, Disp 25% S-A

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

2008-0001

Project Title:

Rehabilitation

Projected Start Date:

01/01/2009

Projected End Date:

12/31/2014

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$1,858,580.00
Total CDBG Program Funds Budgeted	N/A	\$1,858,580.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Acquisition, rehabilitation and disposition of vacant units for housing for those below 50% of area median income. The property will be acquired at a minimum discount of 1%. The land will be granted to a developer for multi family rental property. The affordability period will be within the HOME Investment Partnership Program regulations of up to 20 years and will require covenants to be recorded on the properties. If other funding sources are utilized for rehabilitation or redevelopment covenants longer in duration may be recorded on the property. The estimated time to acquire, rehabilitate, and dispose of an average property is two years. The City will monitor the properties for owner occupancy in a single family home or income qualification in a multi-family property and other requirements on an annual basis.

Location Description:

Eligible Census Tracts and Block Groups with HUD Risk Factor of 7 to 9 as listed in the "Recovery Need" section.

Activity Progress Narrative:

City is working with NCST on approval of standard purchase agreements for Wells Fargo and Freddie Mac. Planning Commission had a finding of conformance May 2010 on 56 unit apartment complex. City is continuing its due diligence and requested appraisal. 17 offers have been submitted to FNMA and Freddie Mac for single family residences. One offer was rejected, one accepted, one pending counteroffer, two have multiple offers being considered, and awaiting response from remaining offers.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of housing units	0	0	0	0/0	0/0	0/12

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: 2008-003
Activity Title: Demolition

Activity Category:
 Clearance and Demolition

Project Number:
 2008-0003

Projected Start Date:
 01/01/2009

National Objective:
 NSP Only - LMMI

Activity Status:
 Planned

Project Title:
 Clearance and Demolition

Projected End Date:
 12/31/2012

Responsible Organization:
 City of Palmdale 38300 Sierra Highway, Palmdale, CA

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$150,000.00
Total CDBG Program Funds Budgeted	N/A	\$150,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway, Palmdale, CA	\$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:

Identify substandard units that are a health and safety issue to surrounding residences and/or neighborhoods. The properties will be in eligible areas that do not exceed 120% of area median income. Properties acquired under NSP, demolished, and redeveloped will have affordability covenants recorded against the property. The affordability period will be within the HOME Investment Partnership regulations of up to 20 years and will require covenants to be recorded on the properties. If other funding sources are utilized for rehabilitation or redevelopment covenants longer in duration may be recorded on the property. It is estimated for a property determined to be eligible for this activity to require six months to complete the demolition process.

Location Description:

Eligible Census Tracts and Block Groups with a HUD risk factor of 7 to 9 as listed in the "Recovery Need" section.

Activity Progress Narrative:

This activity will address substandard properties acquired that are substandard, blighted, and the cost of rehabilitation would exceed the cost of new construction.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/4

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: 2008-004

Activity Title: Land Banking - Acq

Activity Category:

Land Banking - Acquisition (NSP Only)

Project Number:

2008-0004

Projected Start Date:

01/01/2009

National Objective:

NSP Only - LMMI

Activity Status:

Planned

Project Title:

Land Banking - Acquisition

Projected End Date:

12/31/2014

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$200,000.00
Total CDBG Program Funds Budgeted	N/A	\$200,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Land Banking. The property will be acquired at a discount of 1%. The land will be held for an estimated period of up to 5 years for disposition to a developer for multi-family rental property. The affordability period will be within the HOME Investment Partnership Program regulations of up to 20 years and will require covenants to be recorded on the properties. If other funding sources are utilized for rehabilitation or redevelopment covenants longer in duration may be recorded on the property. The City will monitor the properties for owner occupancy in a single family home or income qualification in a multi-family property and other requirements on an annual basis.

Location Description:

Eligible census tracts and block groups with a HUD risk factor of 7 to 9 as listed in the "Recovery need" section.

Activity Progress Narrative:

The City will identify and acquire foreclosure or abandoned properties for land banking, as appropriate.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/4

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: 2008-005

Activity Title: NSP Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

2008-0005

Project Title:

Administration

Projected Start Date:

09/29/2008

Projected End Date:

12/31/2014

National Objective:

N/A

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources

N/A

\$743,430.00

Total CDBG Program Funds Budgeted

N/A

\$743,430.00

Program Funds Drawdown

\$46,710.16

\$105,060.58

Obligated CDBG DR Funds

\$0.00

\$743,430.00

Expended CDBG DR Funds

\$12,413.61

\$117,474.19

City of Palmdale 38300 Sierra Highway Palmdale, CA

\$12,413.61

\$117,474.19

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Activity Description:

Program Administration including but not limited to application preparation, NEPA Clearance, reporting, acquisition and disposition of units.

Location Description:

N/A

Activity Progress Narrative:

Staff completed reporting for Quarter 1, 2010. Staff is working with NCST and City Attorney's Office on approval of the standard purchase agreements. HUD Monitored the City's NSP during the month of May 2010. Staff is submitting offers for foreclosure properties under FNMA's FirstLook Program on the Homepath website and Freddie Mac foreclosure properties. Staff is continuing its due diligence to acquire apartments and commercial properties.

Performance Measures

No 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:	2008-006
Activity Title:	Acquisition - Redevelopment

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

2008-006

Project Title:

Redevelop demolished or vacant properties

Projected Start Date:

09/03/2009

Projected End Date:

12/31/2014

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$290,000.00
Total CDBG Program Funds Budgeted	N/A	\$290,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Redevelop through acquisition, rehabilitation, including reconstruction, and disposition of vacant properties for housing. Blighted properties such as those that may have fire damage may be demolished under the Demolition project/activity. The affordability period will be within HOME Investment Partnership regulations of up to 20 years and will require covenants be recorded on the properties. If other funding sources are utilized for rehabilitation or redevelopment, covenants longer in duration may be recorded on the property. If multi-family residential units of 5 or more units are acquired they will remain rental units. Beneficiaries of this activity will be households of up to 120% of area median income. The estimated time to acquire, rehabilitate, and dispose of an average property is three years. The City will monitor the properties for owner occupancy in a single family residence or income qualification in a multi-family property and other requirements on an annual basis.

Location Description:

Eligible Census Tracts and Block Groups with Risk Factor of 7 to 9 as listed in "Recovery Need" section.

Activity Progress Narrative:

This activity will address acquiring blighted residential property.

Performance Measures

This Report Period			Cumulative Actual Total / Expected		
Low	Mod	Total	Low	Mod	Total

# of Properties	0	0	0	0/0	0/0	0/2
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/2

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: 2008-007
Activity Title: Direct homeownership Assist & Housing Counseli

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Planned

Project Number:

2008-006

Project Title:

Redevelop demolished or vacant properties

Projected Start Date:

09/02/2009

Projected End Date:

12/31/2014

National Objective:

NSP Only - LMMI

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$10,000.00
Total CDBG Program Funds Budgeted	N/A	\$10,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Provide Housing Counseling/Education for home ownership in the Antelope Valley area through HUD approved provider. NSP Regulations require 8 hours of home buyer education prior to purchasing a property that utilized NSP funding.

Location Description:

Communitywide

Activity Progress Narrative:

Staff is in discussion with the local HUD approved Home Buyer Education Provider regarding having the 8 hour required course provided in Palmdale.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Households benefitting	0	0	0	0/0	0/0	0/1

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: 2008-008**Activity Title: Acquisition, Rehab for public facility****Activity Category:**

Acquisition - general

Activity Status:

Planned

Project Number:

2008-006

Project Title:

Redevelop demolished or vacant properties

Projected Start Date:

09/03/2009

Projected End Date:

12/31/2014

National Objective:

Low/Mod

Responsible Organization:

City of Palmdale 38300 Sierra Highway Palmdale, CA

Overall**Apr 1 thru Jun 30, 2010****To Date**

Total Projected Budget from All Sources	N/A	\$2,650,000.00
Total CDBG Program Funds Budgeted	N/A	\$2,650,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Palmdale 38300 Sierra Highway Palmdale, CA	\$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:

Redevelop vacant properties through acquisition, rehabilitation and improvements for public facilities that will provide services for clientele in which 51% of those served are persons of low- and moderate-income. The estimated time to acquire, rehabilitate, provide improvements is one year. The City will monitor that persons served are 51% low-/moderate- clientele.

Location Description:

Eligible Census Tracts and Block Groups with risk factor of 7 to 9 as listed in "Recovery Need" Section.

Activity Progress Narrative:

Staff continues to perform due diligence regarding one of the four locations under consideration. In May the City Council provided Staff direction to negotiate acquisition of the property. In May the Planning Commission found the property to be in conformance with the City's General Plan.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of buildings (non-residential)	0	0	0	0/0	0/0	0/1

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
