

Grantee: Clayton County, GA

Grant: B-11-UN-13-0001

July 1, 2011 thru September 30, 2011 Performance Report

Grant Number:

B-11-UN-13-0001

Obligation Date:**Grantee Name:**

Clayton County, GA

Award Date:**Grant Amount:**

\$3,796,167.00

Contract End Date:

03/04/2014

Grant Status:

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

No QPR Contact Found

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Two target areas were selected: Clayton State/Rex in the north part of the county and Irongate/Mundys Mill in the south. Each activity will be conducted in both target areas. The funds will be distributed as follows:

Mortgage assistance for home buyers and loan loss reserves - \$ 3,066,551

Demolition of blighted properties - \$350,000

Administration of the program - \$379,616

How Fund Use Addresses Market Conditions:

Since October, 2010, meetings were conducted with representatives of various housing stakeholders to discuss the foreclosure needs in Clayton County and explore all options to best utilize NSP funds. Collaborated efforts involving the County Departments of Community Development, Tax Assessment, Economic Development, Sheriff, Police, Office of Housing and Community Development and the Housing Authority of Clayton County. Private partners include lending institutions, GA Association of Bankers, Metro South Board of Realtors, appraisers, inspectors, builders, developers, housing counseling agencies, the local Community Housing Development Organization and other nonprofits. Based on the information gathering process, it was determined that the best use of the NSP 3 Grant funds would be Mortgage Assistance, Loan Loss Reserves and Demolition of blighted properties. The activities were selected to move Clayton toward a tipping point in housing recovery.

Ensuring Continued Affordability:

Clayton County will use the HOME Program standards for continued affordability for all NSP3 assisted homes, using Promissory Notes and Deeds to Secure Debt which contain recapture clauses.

Definition of Blighted Structure:

The Clayton County Code of Ordinances does not use the term "blighted structure" but does address "unsafe buildings" under article XIII Sections 18-555 and 18-556. Clayton County will use these "unsafe buildings" sections from its Code of Ordinances as its "blighted structure" definition for NSP3.

Definition of Affordable Rents:

For the purposes of NSP3, Clayton County defines affordable rents as the Fair Market Rents published annually by HUD for the Housing Choice Voucher program.

Housing Rehabilitation/New Construction Standards:

Clayton County will use as its NSP3 rehabilitation standards the County HOME Property Standards, which use the Georgia Uniform Code Act (ICC building code, National Electrical Code, etc.)

Vicinity Hiring:

If any new hires are needed, those who reside in the target areas would get priority as applicants. This information will be included in any newspaper advertisements for the jobs on the job application and in any Requests for Proposals for the work. We will also advertise through local sources most likely to be seen by residents in the vicinity by placing posters in stores, churches, daycare centers, etc. in the target areas.

Procedures for Preferences for Affordable Rental Dev.:

In the last few years Clayton County has experienced an extremely high single family foreclosure rate. Many of these homes were purchased by investors and used as rental property. We estimate that the percentage of single family rental housing in the county is as high as 60%. Rents are in a very affordable range, due to competition caused by the volume of rental property available. Therefore, Clayton County does not anticipate the need to create preferences for the development of affordable rental housing at this time. The focus of NSP 3 activities will be solely on increasing home ownership of affordable foreclosed single family housing in the NSP3 target areas.

Grantee Contact Information:

Mickie Williams, NSP Manager
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Morrow GA 30260
770-477-4512

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,796,167.00
Total CDBG Program Funds Budgeted	N/A	\$3,796,167.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$379,616.00	\$379,616.00
Program Funds Expended	\$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
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$569,425.05	\$0.00
Limit on Admin/Planning	\$379,616.70	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$379,616.70	\$379,616.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$949,041.75	\$952,500.00

Overall Progress Narrative:

NSP staff has been tracking the new Qualified Residential Mortgage requirements. Until the final plan is in place, our bankers do not know what their final requirements will be and we cannot proceed with our plan for Loan Loss Reserves.

At this point, few lenders will be able to provide a cash reserve throughout the duration of the loan. NSP 3 had selected Loan Loss Reserves as one of our activities to encourage local lenders back into the mortgage market. We were also planning to provide Mortgage Assistance which we may or may not be able to do. Until these issues are resolved and final regulations are put in place our Lenders cannot make a decision and neither can NSP.

NSP has designed an alternative plan and it would be easy to implement should the Loan Loss Reserve not be feasible. We also could use it with our Program Income Funds from the NSP 1. We are looking at other alternatives in case we need to make a change in this and submit a new amendment.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NSP3-45202-FIN, Financing Mechanisms	\$0.00	\$3,066,551.00	\$0.00
NSP3-45303-Demo, Demolition	\$0.00	\$350,000.00	\$0.00
NSP3-5400-Admin, Administration Costs	\$0.00	\$379,616.00	\$0.00

Activities

Grantee Activity Number:	NSP3-120-MA
Activity Title:	Mortgage Assistance Middle Income

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP3-45202-FIN

Projected Start Date:

03/04/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Financing Mechanisms

Projected End Date:

03/04/2014

Completed Activity Actual End Date:

Responsible Organization:

Clayton County Housing and Community Development

Overall	Jul 1 thru Sep 30, 2011	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
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

Mortgage assistance will be provided to eligible buyers with incomes from 81%- 120% AMI who purchase a foreclosed home in either of the targeted areas. Mortgage assistance will be recorded as a soft second using a deed to secure debt and promissory note as our legally enforceable documents. The assistance will have zero interest rate and will be recaptured if the home is sold in less than five years.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

We did not provide mortgage assistance during this quarter. We are still finalizing the process and marketing plans for this program.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/75
# of Singlefamily Units	0	0/75

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	0/0	0/75	0
# Owner Households	0	0	0	0/0	0/0	0/75	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: NSP3-50-MA

Activity Title: Mortgage Assistance VLI

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP3-45202-FIN

Projected Start Date:

03/04/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Financing Mechanisms

Projected End Date:

03/04/2014

Completed Activity Actual End Date:

Responsible Organization:

Clayton County Housing and Community Development

Overall

Jul 1 thru Sep 30, 2011

To Date

Total Projected Budget from All Sources	N/A	\$952,500.00
Total CDBG Program Funds Budgeted	N/A	\$952,500.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

Mortgage assistance will be provided to eligible buyers with incomes below 50% AMI who purchase a foreclosed home in either of the targeted areas. Mortgage assistance will be recorded as a soft second using a deed to secure debt and promissory note as our legally enforceable documents. The assistance will have zero interest rate and will be recaptured if the home is sold in less than five years.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

We did not provide mortgage assistance during this quarter. We are still finalizing the process and marketing plans for this program.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/127
# of Singlefamily Units	0	0/127

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/127	0/0	0/127	0
# Owner Households	0	0	0	0/127	0/0	0/127	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: NSP3-80-MA

Activity Title: Mortgage Assistance MI

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

NSP3-45202-FIN

Project Title:

Financing Mechanisms

Projected Start Date:

03/04/2011

Projected End Date:

03/04/2014

Benefit Type:

Direct Benefit (Households)

Completed Activity Actual End Date:

National Objective:

NSP Only - LMMI

Responsible Organization:

Clayton County Housing and Community Development

Overall

Jul 1 thru Sep 30, 2011

To Date

Total Projected Budget from All Sources	N/A	\$1,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$1,000,000.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

Mortgage assistance will be provided to eligible buyers with incomes from 51%-80% AMI who purchase a foreclosed home in either of the targeted areas. Mortgage assistance will be recorded as a soft second using a deed to secure debt and promissory note as our legally enforceable documents. The assistance will have zero interest rate and will be recaptured if the home is sold in less than five years.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

We did not provide mortgage assistance during this quarter. We are still finalizing the process and marketing plans for this program.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/200
# of Singlefamily Units	0	0/200

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	0/0	0/200	0
# Owner Households	0	0	0	0/0	0/0	0/200	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: NSP3-Admin

Activity Title: Administration

Activity Category:

Administration

Project Number:

NSP3-5400-Admin

Projected Start Date:

03/04/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration Costs

Projected End Date:

03/04/2014

Completed Activity Actual End Date:

Responsible Organization:

Clayton County Housing and Community Development

Overall

Jul 1 thru Sep 30, 2011

To Date

Total Projected Budget from All Sources	N/A	\$379,616.00
Total CDBG Program Funds Budgeted	N/A	\$379,616.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$379,616.00	\$379,616.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

These funds will be used to administer the NSP3 program, paying for staff and necessary expenses for the program.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

No administrative funds have been drawn, and no new staff have been hired.

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: NSP3-Demo

Activity Title: Demolition

Activity Category:

Clearance and Demolition

Project Number:

NSP3-45303-Demo

Projected Start Date:

03/04/2011

Benefit Type:

Area Benefit (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Demolition

Projected End Date:

03/04/2014

Completed Activity Actual End Date:

Responsible Organization:

Clayton County Housing and Community Development

Overall

Jul 1 thru Sep 30, 2011

To Date

Total Projected Budget from All Sources	N/A	\$350,000.00
Total CDBG Program Funds Budgeted	N/A	\$350,000.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

NSP staff will work with the County Code Enforcement Unit to identify blighted structures with serious code violations and work with them on the demolition process.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

No further progress has been made on identifying homes for demolition.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/12

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/12
# of Singlefamily Units	0	0/12

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: NSP3-LLR

Activity Title: Loan Loss Reserves

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NSP3-45202-FIN

Projected Start Date:

03/04/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Financing Mechanisms

Projected End Date:

03/04/2014

Completed Activity Actual End Date:

Responsible Organization:

Clayton County Housing and Community Development

Overall

Jul 1 thru Sep 30, 2011

To Date

Total Projected Budget from All Sources	N/A	\$964,051.00
Total CDBG Program Funds Budgeted	N/A	\$964,051.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
Program Funds Expended	\$0.00	\$0.00
Clayton County Housing and Community Development	\$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:

We will work with local banks to provide loan loss reserves to them to encourage and enable them to aggressively re-enter or expand their home mortgage market in Clayton County. Bank regulators will determine the required amount each bank must reserve, and NSP will use this requirement as the basis for the amount for loan loss reserves for each participating bank.

Location Description:

Any foreclosed home in either of the two target areas - Clayton State/Rex and Irongate/Mundys Mill.

Activity Progress Narrative:

We have continued conversations with the Georgia Bankers Association and are waiting for the final regulations for a Qualified Residential Mortgage before determining if this activity will continue.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/560
# of Singlefamily Units	0	0/560

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	0/0	0/560	0
# Owner Households	0	0	0	0/0	0/0	0/560	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	
