

Grantee: Cuyahoga County, OH

Grant: B-08-UN-39-0002

April 1, 2010 thru June 30, 2010 Performance Report

Grant Number:

B-08-UN-39-0002

Obligation Date:**Grantee Name:**

Cuyahoga County, OH

Award Date:**Grant Amount:**

\$11,212,447.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

QPR Contact:

Paul Herdeg

Disasters:**Declaration Number**

NSP

Plan Description:

Foreclosure and Beyond: a report on ownership and housing values following sheriffs sales, Cleveland and Cuyahoga County, 2000-2007 by Claudia Coulton, Kristen Mikelbank, & Michael Schramm who work for the Center on Urban Poverty and Community Development at the Mandel School of Applied Social Services, Case Western Reserve University. Rates of foreclosures have quadrupled since 2000 in Cuyahoga County, primarily as a result of the large numbers of sub-prime loans. (F&B, p 2) The increasing numbers of properties at sheriff sales had the effect of dragging down home sale prices. Homes re-sold in 2007 following sheriffs sales in 2006 brought median sales prices that were 44% of their previous valuation. Moreover, foreclosures, vacancy and declining values are geographically concentrated (see Appendix 4) not only in Cleveland but also in the Cuyahoga County suburbs. Under these circumstances, greater efforts are required to protect the growing number of vacant homes and limit spillover effects to surrounding properties.(F&B, p 2)

Recovery Needs:

The injection of massive numbers of vacant and foreclosed properties has driven down property values of neighboring homes that are occupied and have been maintained. The housing market has seen property values decline with the sheer volume of unsold real estate that is taking a longer time to sell. Lending institutions have increased credit-lending standards, making the purchase of any home more difficult. It is the intention of the Urban Countys NSP funding to meet the statutory requirements set forth by Congress and, at the same time, begin to assist in stabilizing the local real estate market in the Urban County by working with the private sector elements of the housing market, by increasing home ownership opportunities, by removing blighting structures, and by re-invigorating the capacity of the Real Estate Owned (REO) rehabilitation industry.

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

N/A

\$11,212,447.00

Total CDBG Program Funds Budgeted

N/A

\$11,212,447.00

Program Funds Drawdown

\$755,444.02

\$1,722,798.13

Obligated CDBG DR Funds

\$134,670.25

\$6,439,783.24

Expended CDBG DR Funds

\$24,715.24

\$1,688,167.90

Match Contributed

\$0.00

\$0.00

Program Income Received

\$46,717.38

\$86,441.46

Program Income Drawdown

\$100.24

\$39,724.08

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	99.99%	4.255%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,681,867.05	\$0.00
Limit on Admin/Planning	\$1,121,244.70	\$193,394.27
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$2,803,111.75	\$2,803,112.00

Overall Progress Narrative:

Every activity planned for Cuyahoga County's Neighborhood Stabilization Program 1 grant is moving forward towards 100% commitment of funds by the end of August 2010. Activity budgets have been adjusted to shift funds from lesser needs to greater needs. Specifically, funds were shifted from direct homebuyer loans to developer loans and municipal grants, based on experience that showed a greater need for developer and municipal projects as compared to direct purchase of foreclosed houses by families. Cuyahoga County's new Land Bank has obligated all its funds and has also obligated a significant part of Cuyhoga County's separate Neighborhood Stabilization Program 1 State of Ohio pass-through grant.

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
NSP 1, Financing Mechanisms to Acquire/Renovate for <=50%	\$0.00	\$2,803,112.00	\$0.00
NSP 2, Redevelopment - Muni Grants	\$146,489.57	\$2,500,000.00	\$146,489.57
NSP 3, Demolish blighted structures	\$0.00	\$1,150,000.00	\$24,715.24
NSP 4, Financing Mechanisms to Purchase Foreclosed Homes	\$0.00	\$1,408,091.00	\$0.00
NSP 5, Financing Mechanisms to Purchase/Redevelop Foreclosed	\$369,600.33	\$2,030,000.00	\$1,131,958.25
NSP 6, Establish and operate land bank	\$143,133.44	\$200,000.00	\$143,133.44
NSP 7, Administration	\$96,220.68	\$1,121,244.00	\$276,501.63

Activities

Grantee Activity Number:	1-1
Activity Title:	Financing of set-aside rental properties

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP 1

Projected Start Date:

07/01/2009

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Planned

Project Title:

Financing Mechanisms to Acquire/Renovate for <=50% AMI

Projected End Date:

07/31/2013

Responsible Organization:

Cuyahoga County Department of Development

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$2,803,112.00
Total CDBG Program Funds Budgeted	N/A	\$2,803,112.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	(\$1,003,112.00)	\$1,800,000.00
Expended CDBG DR Funds	\$0.00	\$0.00
Cuyahoga County Department of 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:

24 CFR 570.201(a), (b); 570.202; 570.206 Forgivable loans to private and nonprofit developers to buy and renovate foreclosed and/or abandoned residential properties for rental to households with incomes at or below 50% of AMI, including new construction on foreclosed and/or abandoned vacant land formerly occupied by residential properties, and eligible activity delivery costs.

Location Description:

Various locations to be selected throughout Cuyahoga Urban County and adjacent jurisdictions in compliance with CDBG and NSP rules.

Activity Progress Narrative:

Three sites will be redeveloped using more than 25% of the total Neighborhood Stabilization Program grant. Obligations were adjusted in the second quarter to reflect updated HUD guidance. Removal of the "foreclosed or abandoned" requirement by legislative action in July 2010 ensures that funds for all three sites will be obligated by the end of August 2010. Specific addresses have been deleted based on updated HUD guidance that addresses should be reported only when renovations are complete and units are occupied by income eligible families.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/13
# of housing units	0	0	0	0/0	0/0	0/50
# of Households benefitting	0	0	0	0/50	0/0	0/50

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: 2-1

Activity Title: Municipal Redevelopment Grants

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

NSP 2

Project Title:

Redevelopment - Muni Grants

Projected Start Date:

07/01/2009

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Cuyahoga County Department of Development

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$3,000,000.00
Total CDBG Program Funds Budgeted	N/A	\$3,000,000.00
Program Funds Drawdown	\$146,489.57	\$146,489.57
Obligated CDBG DR Funds	\$1,223,310.00	\$1,273,310.00
Expended CDBG DR Funds	\$0.00	\$0.00
Cuyahoga County Department of 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:

24 CFR 570.201(a), (b), (c); 24 CFR 570.202 Redevelop demolished or vacant residential properties with end use limited to housing and related uses that support housing, such as parks and green space, or other public facilities and improvements such as community gardens. NOTE: Performance measures will be added when communities and specific activities are selected through the RFP process.

Location Description:

Eligible census tracts (foreclosure risk score of 8 or greater) in the following five suburban Cuyahoga County communities, selected through an RFP process: Bedford, Maple Heights, Richmond Heights, Shaker Heights, South Euclid.

Activity Progress Narrative:

Municipal grant funding has been increased from \$2.5 million to \$3 million due to increased needs in several of the target areas. Each of the five cities receiving subgrants is carrying out a plan to ensure 100% obligation of its funds by the end of August 2010. Obligations are based on actual signed purchase agreements and legally executed construction contracts, as well as a small amount of staff costs which qualify as activity delivery costs for specific addresses.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/25
# of housing units	0	0	0	0/0	0/0	0/25
# of Households benefitting	0	0	0	0/0	0/25	0/25

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: 3-1

Activity Title: Municipal Nuisance Abatement Demolition

Activity Category:

Clearance and Demolition

Activity Status:

Completed

Project Number:

NSP 3

Project Title:

Demolish blighted structures

Projected Start Date:

03/23/2009

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Cuyahoga County Department of Development

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$24,715.24
Total CDBG Program Funds Budgeted	N/A	\$24,715.24
Program Funds Drawdown	\$0.00	\$24,715.24
Obligated CDBG DR Funds	\$0.00	\$24,715.24
Expended CDBG DR Funds	\$24,715.24	\$49,430.48
Cuyahoga County Department of Development	\$24,715.24	\$49,430.48
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

24 CFR 570.201(d) Municipalities request approval to demolish blighted houses. Cuyahoga County Department of Development carries out environmental review and approves demolition on a first come first served basis. Municipalities are reimbursed for their demolition costs after inspection by Cuyahoga County Department of Development staff.

Location Description:

Various municipalities in Cuyahoga Urban County - only in those communities and parts of communities that qualify as LMMI.

Activity Progress Narrative:

Unused funds in this activity were moved to other activities of greater need.

Performance Measures

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

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: 3-2**Activity Title: Land Reutilization Corporation Demolition****Activity Category:**

Clearance and Demolition

Activity Status:

Under Way

Project Number:

NSP 3

Project Title:

Demolish blighted structures

Projected Start Date:

06/01/2009

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Cuyahoga County Land Reutilization Corporation

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

Total Projected Budget from All Sources	N/A	\$700,000.00
Total CDBG Program Funds Budgeted	N/A	\$700,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	(\$227,614.00)	\$13,386.00
Expended CDBG DR Funds	\$0.00	\$0.00
Cuyahoga County Land Reutilization Corporation	\$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:

- 24 CFR 570.201(d) Blighted houses and other blighted structures will be demolished by the Cuyahoga County Land Reutilization Corporation. Houses and structures to be demolished may be owned by the Land Reutilization Corporation, or may be privately owned if so requested by a local community. Activity delivery costs will include certain eligible operating costs incurred by the Land Reutilization Corporation in order to deliver this service within the Cuyahoga Urban County.

Location Description:

- Various blighted houses and other blighted structures in LMMI communities and LMMI parts of communities within the Cuyahoga Urban County and that affect properties in the Urban County.

Activity Progress Narrative:

As of July 30, 2010, the Cuyahoga County Land Bank has obligated \$437,509 of \$700,000 budgeted for this activity to demolition of specific blighted properties.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	3/20

# of buildings (non-residential)	0	0	0	0/0	0/0	0/3
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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: 4-1

Activity Title: Homebuyer loans to buy foreclosed houses

Activity Category:

Homeownership Assistance to low- and moderate-income

Activity Status:

Under Way

Project Number:

NSP 4

Project Title:

Financing Mechanisms to Purchase Foreclosed Homes

Projected Start Date:

06/01/2009

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Neighborhood Housing Services of Greater Cleveland

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$300,000.00
Total CDBG Program Funds Budgeted	N/A	\$300,000.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$156,138.00	\$156,138.00
Expended CDBG DR Funds	\$0.00	\$5,608.76
Neighborhood Housing Services of Greater Cleveland	\$0.00	\$5,608.76
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

24 CFR 570.201(a), (n) Income eligible households will receive soft second loans to purchase foreclosed houses in targeted Cuyahoga Urban County communities. Buyers will be responsible for repairs to correct code violations; funds may be escrowed at time of purchase to ensure repairs. Activity delivery costs include subrecipient staff costs to process these loans and provide required homebuyer counseling.

Location Description:

Various communities in Cuyahoga Urban County determined by targeting analysis of foreclosure risk.

Activity Progress Narrative:

The budget for this activity was reduced due to greater need for developer and municipal projects in the targeted areas. Recently approved loans have increased the obligation of funds to \$236,136 with closing dates expected to occur in the third quarter of 2010.

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	0/8
# of Households benefitting	0	0	0	0/0	0/8	0/8

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: 5-1

Activity Title: Acquisition-Rehab-Resale Loans

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

NSP 5

Project Title:

Financing Mechanisms to Purchase/Redevelop Foreclosed

Projected Start Date:

03/23/2009

Projected End Date:

07/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Cuyahoga County Department of Development

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources	N/A	\$2,963,375.76
Total CDBG Program Funds Budgeted	N/A	\$2,963,375.76
Program Funds Drawdown	\$369,600.33	\$1,131,958.25
Obligated CDBG DR Funds	(\$49,010.00)	\$1,850,990.00
Expended CDBG DR Funds	\$0.00	\$1,274,692.64
Cuyahoga County Department of Development	\$0.00	\$1,274,692.64
Match Contributed	\$0.00	\$0.00
Program Income Received	\$46,717.38	\$86,341.22
Program Income Drawdown	\$0.00	\$39,623.84

Activity Description:

24 CFR 570.201(a),(b); 570.202; Loans to private and nonprofit developers, including cities, to buy, rehabilitate, and resell foreclosed single-family houses to income eligible households, including activity delivery costs.

Location Description:

Targeted communities within the Cuyahoga Urban County.

Activity Progress Narrative:

Obligations were adjusted to reflect current HUD guidance as to obligation of developer loans. As of July 30, 2010, a total of 24 foreclosed houses have been identified and 1 more is expected, for a total of 25. Due to some difficulty with buyers obtaining mortgages, Cuyahoga County is developing a short term lease purchase program in partnership with a local nonprofit agency to ensure the redeveloped houses do not sit empty for long periods of time.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	1	0/0	0/0	15/25
# of housing units	0	0	1	0/0	0/0	15/25
# of Households benefitting	0	1	1	0/0	2/25	2/25

Activity Locations

Address	City	State	Zip
6699 Hedgeline Drive	Bedford Hts	NA	44146

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:	6-1
Activity Title:	Land Banking including Activity Delivery Costs

Activity Category:

Land Banking - Acquisition (NSP Only)

Project Number:

NSP 6

Projected Start Date:

03/23/2009

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Establish and operate land bank

Projected End Date:

07/31/2013

Responsible Organization:

Cuyahoga County Land Reutilization Corporation

Overall	Apr 1 thru Jun 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$300,000.00
Total CDBG Program Funds Budgeted	N/A	\$300,000.00
Program Funds Drawdown	\$143,133.44	\$143,133.44
Obligated CDBG DR Funds	\$34,958.25	\$200,000.00
Expended CDBG DR Funds	\$0.00	\$165,041.75
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

24 CFR 570.201(a), (b) Acquire, manage, and dispose of homes and residential properties that have been foreclosed upon, including activity delivery costs.

Location Description:

- Eligible communities and census tracts in the Cuyahoga Urban County and zip code areas

Activity Progress Narrative:

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: 7-1

Activity Title: Administrative Cost

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NSP 7

Project Title:

Administration

Projected Start Date:

03/23/2009

Projected End Date:

07/31/2013

National Objective:

N/A

Responsible Organization:

Cuyahoga County Department of Development

Overall

Apr 1 thru Jun 30, 2010

To Date

Total Projected Budget from All Sources

N/A

\$1,121,244.00

Total CDBG Program Funds Budgeted

N/A

\$1,121,244.00

Program Funds Drawdown

\$96,220.68

\$276,501.63

Obligated CDBG DR Funds

\$0.00

\$1,121,244.00

Expended CDBG DR Funds

\$0.00

\$193,394.27

Cuyahoga County Department of Development

\$0.00

\$193,394.27

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$100.24

Program Income Drawdown

\$100.24

\$100.24

Activity Description:

24 CFR 570.206 Administrative Costs including costs of all activities eligible under Community Development Block Grant administrative cost rules.

Location Description:

Administrative Costs are incurred for activities throughout the service area consisting of eligible communities and census tracts within the Cuyahoga Urban County, and also in adjacent communities in which set-aside rental projects are located, if any.

Activity Progress Narrative:

Cuyahoga County anticipates using all of the administrative funds to ensure that Neighborhood Stabilization Program 1 funds are properly used, program income is properly accounted for and used, and affordability restrictions are maintained for the required periods of time.

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
