

# Apr 1, 2012 thru Jun 30, 2012 Performance Report

**Grant Number:**  
B-11-UN-12-0018

**Obligation Date:**

**Grantee Name:**  
Seminole County, FL

**Award Date:**

**Grant Amount:**  
\$3,995,178.00

**Contract End Date:**  
03/10/2014

**Estimated PI/RL Funds:**  
\$0.00

**Reviewed By HUD:**  
Original - In Progress

**Total Budget:**  
\$3,995,178.00

**Grant Status:**  
Active

**QPR Contact:**  
Reginald Wallace

## Disasters: Declaration Number

NSP

### Summary of Distribution and Uses of NSP Funds:

#### **Activity**

#### **Budget**

Purchase, Rehabilitate, and Rent, Resale or Resale under a Lease-Purchase Agreement

\$1,595,661

Redevelopment of Vacant Property as Rental Housing

\$2,000,000

Planning and Administration

\$399,517

#### **Total**

**\$3,995,178**

### How Fund Use Addresses Market Conditions:

In order to identify the geographic areas both with the greatest need and with the highest potential for impact within the county, HUD foreclosure and vacancy related data was obtained and broken down by city and neighborhood. Neighborhoods (Census Tract subsets) with high calculated HUD NSP3 Foreclosure Need Scores were identified. Areas with a HUD NSP3 Foreclosure Need Score of 18 and 20 were reviewed by Community Assistance Division

staff in order to gauge the composition and conditions of the homes in the areas, and the amount of housing units for sale. The Zillow.com web-site was also used to determine an approximate number and price of homes for sale or have had a foreclosure notice filed. It was noted that several home sales were completed in each of the areas after June 2010 cut-off period of the HUD dataset.

Initially it was decided to concentrate the effort only in an area in northeast Seminole County with an NSP3 Foreclosure Need Score of 19 which is the Sterling Meadows vicinity (21100R1). However, due to market conditions, the number of available properties for acquisition has decreased. Seminole County currently has properties in this vicinity under contract, but must identify additional vicinities to meet the estimated acquisition goals stated herein and to increase the impact to the County. In addition, staff identified a vacant property that will provide an infill opportunity. The property will be acquired and redeveloped as affordable rental housing.

After removing the areas that experienced recent annexations and those areas containing mostly mobile home and condominium developments, the estimated number of properties needed to make an impact in the remaining areas is 28. After allowing for Planning and Administrative activity funding, a little under \$3.6 million will be available for NSP3 target area projects or approximately \$125,000 per completed unit. Based on the County's experience with NSP1, an average of \$125,000 is a sufficient amount to acquire, rehabilitate, and resell/rent each of the units. The County is estimating that it will be able to acquire, rehabilitate, and redevelop between 25 and 30 units with the \$3,595,661 NSP3 Grant. Through the research highlighted above, Seminole County will designate the following as NSP3 target areas:

Current Approved Area

- **The Sterling Meadows vicinity area (21100).**

Additional Target Area #1 (Resale)

- **The Alafaya Woods vicinity area (21311, 21309).**

Additional Target Area #2 (Rental)

- **The Antigua Bay vicinity area (22101).**

The target areas selected were added to the original target area to combat market conditions which decreased the amount of units available for acquisition. The additional locations are in desirable areas and contain mainly newer and typically larger housing units at varying price points that can be sold to low, moderate, and middle income households. This will allow LMMI households to afford and reside in an area that may otherwise be inaccessible due to housing prices.

### **Ensuring Continued Affordability:**

For each housing unit assisted, a 20-year Restrictive Use Covenant will be imposed to guarantee affordability to initial and subsequent purchasers and renters, including all group homes assisted under the NSP. This Covenant will ensure that, for resale units, during the 20-year affordability period, either all subsequent purchasers of assisted units are LMMI or, if any subsequent purchasers of the unit are not LMMI, the amount of NSP assistance will be recaptured at resale. Also, Restrictive Use Covenants will be used to ensure that all renters of NSP rental housing will be Low, Moderate, or Middle Income upon initial occupancy.

### **Definition of Blighted Structure:**

A "blighted structure" is one which exhibits objectively determinable signs of deterioration

sufficient to constitute a threat to human health, safety, and/or public welfare.

**Definition of Affordable Rents:**

Units will be set-aside for low income, moderate income, and middle income households, and rents shall be in an amount equal to 65%, 80%, and 100% respectively of Fair Market Rent (FMR), as posted on [www.HUD.gov](http://www.HUD.gov), less the current, appropriate, and respective Utility Allowance, as established by the Seminole County Housing Authority.

**Housing Rehabilitation/New Construction Standards:**

The County's NSP Housing Rehabilitation Standards will be used (available online at [http://www.seminolecountyfl.gov/comsrvs/NSP3/NSPDocuments\\_Reports.aspx](http://www.seminolecountyfl.gov/comsrvs/NSP3/NSPDocuments_Reports.aspx)). All gut rehabilitation and new construction will meet the standard for Energy Star Qualified New Homes and the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1-2004, Appendix G plus 20%. All other rehabilitation will meet these standards to the extent applicable to the rehabilitation work undertaken, e.g. replace older obsolete products and appliances with Energy Star-46 labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, will be installed when replaced. Where applicable, housing units will be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

**Vicinity Hiring:**

To the maximum extent feasible, developers, contractors, and/or subrecipients used to implement the NSP3 activities will be located within the three selected target areas. In addition, to the maximum extent feasible, developers, contractors, and/or subrecipients will hire employees and small businesses located in the selected target area.

**Procedures for Preferences for Affordable Rental Dev.:**

Under all circumstances, rents for units dedicated to low income tenants will not exceed 65% of the established and current Fair Market Rent (FMR), as posted on [www.hud.gov](http://www.hud.gov), less the current, appropriate, and respective Utility Allowance, as established by the respective jurisdictional housing authority.

**Grantee Contact Information:****NSP3 Program Administrator Contact Information****Name (Last, First)**

*Nordelo, Sonia*

**Email Address**

*snordelo@seminolecountyfl.gov*

**Phone Number**

*407-665-2385*

**Mailing Address**

534 W. Lake Mary Blvd. Sanford, FL 32773

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	3,995,178
<b>Total Budget</b>	0	3,995,178
<b>Total Obligated</b>	\$0.00	\$399,517.00
<b>Total Funds Drawdown</b>	\$37,773.29	\$39,078.96
<b>Program Funds Drawdown</b>	\$37,773.29	\$39,078.96
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$39,078.96	\$39,078.96
<b>Match Contributed</b>	\$0.00	\$0.00

**Progress Toward Required Numeric Targets**

<b>Requirement</b>	<b>Required</b>	<b>To Date</b>
<b>Overall Benefit Percentage (Projected):</b>		0%
<b>Overall Benefit Percentage (Actual):</b>		0%
<b>Minimum Non-Federal Match</b>	0	0
<b>Limit on Public Services</b>	599,276.7	0
<b>Limit on Admin/Planning</b>	399,517.8	39,078.96
<b>Limit on State Admin</b>	0	39,078.96

**Progress Toward Activity Type Targets**

<b>Activity Type</b>	<b>Target</b>	<b>Actual</b>
	399,517.8	399,517

**Progress Toward National Objective Targets**

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
<b>NSP Only - LH - 25% Set-Aside</b>	998,794.5	0

**Overall Progress Narrative:**

Seminole County has partnered with three Developers to provide rehabilitation and resale services to our clients. However, current market conditions have made acquiring properties difficult. The NSP3 acquisition/rehab/resale activity vendors have been outbid on several REO and pre-foreclosed properties due to rising prices and increased demand. In addition, the amount of inventory in the approved vicinities has decreased. Both the NSP1 and NSP3 Action Plans are being amended to include additional vicinities that will increase the number of properties available for acquisition while continuing to focus on areas that are highly desirable and contain newer units.

The County has developed an NSP waiting list of over 60 households for both the NSP1 and NSP3 programs. Currently, six of those households have closed or have a property under contract to purchase. Currently, four additional households will be partnered with the acquisition/rehab/resale activity vendors to select properties for acquisition.

For the redevelopment activity, the County has identified three potential areas to acquire property and develop an affordable rental project. Upon approval, the County will acquire one of these properties and release an RFP to solicit contractors to construct the project. The

County is receiving Technical Assistance on all aspects of its nSP programs to ensure success.

## Project Summary

Project#, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
<b>9999, Restricted Balance</b>	0	0	0
<b>NSP3-001, Acquisition, Rehab, Resale/Lease-Purchase</b>	0	1,595,661	0
<b>NSP3-002, Redevelopment of Vacant Property as Rental Housing</b>	0	2,000,000	0
<b>NSP3-003, Planning and Administration</b>	37,773.29	399,517	39,078.96

## Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
NSP3-001	Acquisition, Rehab, Resale/Lease-Purchase	<a href="#">NSP3-001-01</a>	<a href="#">Purchase, Rehabilitate, and Rent, Resale or Resale</a>
NSP3-002	Redevelopment of Vacant Property as Rental Housing	<a href="#">NSP3-002-01</a>	<a href="#">Redevelopment of Vacant Property as Rental Housing</a>
NSP3-003	Planning and Administration	<a href="#">NSP3-003-01</a>	<a href="#">Planning and Administration</a>

## Activities

**Grantee Activity Number:**

NSP3-001-01

**Activity Category:**

Acquisition - general

**Project Number:**

NSP3-001

**Projected Start Date:**

04/15/2011

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

Seminole County

**Benefit Type:**

Direct Benefit (Households)

**Activity Title:**

Purchase, Rehabilitate, and Rent, Resale or Resale

**Activity Status:**

Under Way

**Project Title:**

Acquisition, Rehab, Resale/Lease-Purchase

**Projected End Date:**

04/15/2014

**Completed Activity Actual End Date:**

<b>Overall</b>	<b>Apr 1 thru Jun 30, 2012</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources:</b>	N/A	\$1,595,661.00
<b>Total Budget:</b>	(\$1,000,000.00)	\$1,595,661.00
<b>Total Obligated:</b>	\$0.00	\$0.00
<b>Total Funds Drawdown</b>	\$0.00	\$0.00
Program Funds Drawdown:	\$0.00	\$0.00
Program Income Drawdown:	\$0.00	\$0.00
<b>Program Income Received:</b>	\$0.00	\$0.00
<b>Total Funds Expended:</b>	\$0.00	\$0.00
Seminole County	\$0.00	\$0.00
<b>Match Contributed:</b>	\$0.00	\$0.00

### Accomplishments Performance Measures

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>	
	<b>Total</b>	<b>Total</b>	
<b># of Properties</b>	0	0/13	

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>	
	<b>Total</b>	<b>Total</b>	
<b># of Housing Units</b>	0	0/13	
<b># of Singlefamily Units</b>	0	0/13	

### Beneficiaries Performance Measures

	<b>This Report Period</b>			<b>Cumulative Actual Total / Expected</b>			
	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low</b>	<b>Mod</b>	<b>Total</b>	<b>Low/Mod%</b>
<b># of Households</b>	0	0	0	0/4	0/9	0/13	0
<b># Owner Households</b>	0	0	0	0/4	0/9	0/13	0

### Activity Description:

#### Acquisition

In this activity, housing units will be acquired for the benefit of LMMH homebuyers under the traditional purchase method, under the acquisition and rehabilitation method, or under a lease-purchase agreement. Housing counseling for participating households will be included in this activity.

The traditional purchase method will be utilized when low, moderate, and middle income households are assisted to obtain homeownership. The units selected must not require rehabilitation as determined by a State certified home inspector's report. The housing units will be purchased for LMMH homebuyers at a price which is affordable to the homebuyer.

The acquisition and rehabilitation method will be utilized when eligible income households select a unit that requires rehabilitation as determined by a State certified home inspector's report. The homebuyer will be partnered with a County approved agency that will be selected

as explained below. The rehabilitation will take place prior to resale, **or within 120-days of acquisition with approval**, and rehabilitation estimates may not exceed \$35,000 (after any rebates) in cost. Any rebates realized from any rehabilitation or improvements will be deducted from the rehabilitation costs. Following rehabilitation, all housing units must meet or exceed all local building codes. It may be that some foreclosed housing units will be purchased prior to identifying a homebuyer. In this case, County staff will work with the agency to select housing units that, when rehabilitated, are more likely to sell or rent quickly.

The lease-purchase agreement method will be utilized when, low, moderate, and middle income households are assisted to obtain homeownership when the household's credit score is at least 90% of the credit score required by the mortgage lender. Until such time as the applicant is ready to assume ownership of the property, the monthly lease cost of each unit will be that amount which the applicant would pay each month in principal, interest, taxes, and insurance had the applicant purchased the home at the time of the lease-purchase agreement, based on their income (i.e., affordable to the household). Housing units not purchased within 36 months of acquisition will be converted to long-term rental units under this activity, and may be donated to approved non-profit organizations. Under the County's NSP1 program some of the low income households that were accepted into the program had to subsequently withdraw due to financing barriers that could not be rectified within the timeframe required under the developer agreements. The lease-purchase agreement portion of this activity will be targeted at those households whose credit score is at least 90% of the credit score required by the mortgage lender and who, in the mortgage lender's professional opinion and with adequate homeownership counseling, will be able to qualify for first mortgage financing within 18 months.

## Rehabilitation

In order to better coordinate the activities, a Request for Proposals (RFP) covering each of the target areas will be issued in February, 2012. Proposals will be accepted and reviewed by appropriate County staff. All approved NSP3 activities can be utilized within each proposal.

However, Seminole County reserves the right to contract with Habitat for Humanity in Seminole County, Inc., apart from the RFP process. This will allow Habitat to rehabilitate eligible housing units for eligible homebuyers, without having to compete with other nonprofit and for-profit agencies. In addition, Seminole County intends to use the local Seminole YouthBuild, Inc. affiliate to perform rehabilitation work for rehabilitated housing units, without requiring a competitive bidding process. YouthBuild may be used with homes owned by Habitat for Humanity or any nonprofit or for-profit agency used with NSP3.

To the maximum extent feasible, developers, contractors, and/or subrecipients used to implement the NSP3 activities will be located within the selected target areas. In addition, to the maximum extent feasible, developers, contractors, and/or subrecipients will hire employees and small businesses located in the selected target areas.

The review team will make recommendation to the Board of County Commissioners by March, 2012 for the funding of respective agencies. Upon Board approval, this activity will commence immediately.

Each respective agency will work with those prospective homebuyers to locate appropriate housing units from the NSP Target Areas. The rehabilitation will take place prior to resale, **or within 120-days of acquisition with approval**, and rehabilitation estimates and costs may not exceed \$35,000 (after any rebates). The cost of rehabilitation will not be included in the Restrictive Use Covenant, but will be a separate grant. Should a prospective homebuyer select a home that does not require rehabilitation per the inspection identified below, the homebuyer will not be required to work with an awarded agency. All selected units must meet the NSP requirements before the agency or prospective homebuyer purchases the unit.

## Sales

All housing units acquired and rehabilitated through this program will be provided to households at or below 120% of the AMI. To enable affordability, financial assistance may be provided to the homeowner. The funding may reduce interest rates, mortgage principal amounts, provide a second mortgage and pay the purchaser's reasonable closing costs.

Financing may also be provided directly to Low and Moderate Income homebuyers, in the form of one or more of the following: loan loss reserve, equity sharing, or first mortgage financing, serviced by a third party loan servicing agent. Homebuyer counseling will be required before the sale to the homebuyer. All parties on the deed will be required to have at a minimum of 8 hours of homebuyer counseling from a HUD-approved housing counseling agency prior to obtaining a mortgage loan. All loans must be at a fixed rate loans not to exceed a term of forty (40) years.

Additionally, a twenty-year Restrictive Use Covenant will be imposed on each assisted housing unit to guarantee long term affordability and continued occupancy by income eligible households. During the affordability period, \$40,000 of each 0% deferred payment loan, or the entire loan amount if it is less than or equal to \$40,000, will be forgiven at the end of ten years. The Restrictive Use Covenant will ensure that, during the affordability period, either all subsequent purchasers of assisted units are LMMH or, if any subsequent purchasers of the unit are not LMMH, the total amount of assistance will be recaptured at the respective resale.

All program income generated by resale will be used to continue this or one of the other approved activities until funds are depleted. All units will be purchased at least 1% below the current market appraised value.

No displacement of households will take place. Only vacant, foreclosed, and/or abandoned units will be acquired for use in NSP3.

### Location Description:

Assisted housing units will be limited to the Sterling Meadows vicinity area (21100R1) and the Alafaya Woods vicinity area (21311,21309).

### Activity Progress Narrative:

The local Habitat for Humanity and YouthBuild chapters have been selected to partner with the County to acquire, rehabilitate, and sell at least 6 housing units to middle, moderate, and low income households. An agreement between the parties was signed in March. The first home was acquired under the agreement in April. Two additional developers/vendors were selected in response to a Request for Proposals (RFP) that was issued to solicit qualified developers/vendors to carry out the Acquisition, Rehabilitation, and Resale activities of the grant. Income qualified applicants will be paired with the developers/vendors to complete all steps necessary to acquire, rehabilitate, and takeownership of the NSP qualified properties.

Currently the County has identified Sterling Meadows and Alafaya Woods as the approved vicinities for NSP3. The County has acquired one REO property in Sterling Meadows that is currently undergoing rehabilitation. Four additional properties in the vicinity are under contract for acquisition.

When the County first identified Alafaya Woods as a vicinity, there were approximately 19 eligible properties available; however, the real estate market in Seminole County has seen improvement since the beginning of the year with increasing home prices and a reduction in inventory. This has led to a number of properties that the County has tried to acquire but lost due to NSP purchase price requirements. The County has three properties under contract in Alafaya Woods currently. As a solution, the Action Plan is currently being amended to include additional vicinities which will increase the number of available units to acquire. It remains the County's goal to select desirable areas with newer housing stock to benefit our clients.

### Activity Location:

Address	City	State	Zip	Status / Accept
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2452 Monte Cristo Way

Sanford

Florida

32771- Match / N

**Other Funding Sources Budgeted - Detail****Match Sources****Amount**

No Other Match Funding Sources Found

**Other Funding Sources****Amount**

No Other Funding Sources Found

**Grantee Activity Number:**

NSP3-002-01

**Activity Title:**

Redevelopment of Vacant Property as Rental Housing

**Activity Category:**

Construction of new housing

**Activity Status:**

Planned

**Project Number:**

NSP3-002

**Project Title:**

Redevelopment of Vacant Property as Rental Housing

**Projected Start Date:**

05/15/2012

**Projected End Date:**

04/15/2014

**National Objective:**

NSP Only - LMMI

**Completed Activity Actual End Date:****Responsible Organization:**

Seminole County

**Benefit Type:**

Direct Benefit (Households)

**Overall****Apr 1 thru Jun  
30, 2012****To Date****Total Projected Budget from All Sources:**

N/A

\$2,000,000.00

**Total Budget:**

\$1,000,000.00

\$2,000,000.00

**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

\$0.00

Seminole County

\$0.00

\$0.00

**Match Contributed:**

\$0.00

\$0.00

**Accomplishments Performance Measures**

**Accomplishments - Performance Measures**

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

**Beneficiaries Performance Measures**

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/8	0/0	0/12	0
# Renter Households	0	0	0	0/8	0/0	0/12	0

**Activity Description:**

It is understood that households with the greatest need for housing affordability are low income households. These households are least likely to be able to afford owner housing, without substantial subsidies. This activity is also intended to provide affordable and decent housing for special populations (mentally handicapped, autistic, disabled, etc.) with the funding of one or more group homes.

**Location Description:**

Assisted housing units will be limited to the Sterling Meadows vicinity area (21100R1) which constitutes the sole target area for NSP3.

**Activity Progress Narrative:**

The County has identified three potential properties to construct the rental project. Based on location, long term viability, and shovel readiness of the project, the County will select one property to purchase for the benefit of this activity. After acquisition, the County will utilize an existing MSA contractor agreement to construct the units.

Prior to completion of construction, the County will issue an RFI to identify an experienced non-profit partner to own and operate the completed units as affordable rental units according to the requirements of the approved NSP3 Action Plan.

**Activity Location:**

Address	City	State	Zip	Status / Accept
No Activity Locations Found				

**Other Funding Sources Budgeted - Detail**

Match Sources	Amount
No Other Match Funding Sources Found	

**Other Funding Sources**

No Other Funding Sources Found

**Grantee Activity Number:**

NSP3-003-01

**Activity Title:**

Planning and Administration

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

NSP3-003

**Project Title:**

Planning and Administration

**Projected Start Date:**

03/01/2011

**Projected End Date:**

04/15/2014

**National Objective:**

N/A

**Completed Activity Actual End Date:****Responsible Organization:**

Seminole County

**Benefit Type:**

N/A

**Overall****Apr 1 thru Jun  
30, 2012****To Date****Total Projected Budget from All Sources:**

N/A

\$399,517.00

**Total Budget:**

\$0.00

\$399,517.00

**Total Obligated:**

\$0.00

\$399,517.00

**Total Funds Drawdown**

\$37,773.29

\$39,078.96

Program Funds Drawdown:

\$37,773.29

\$39,078.96

Program Income Drawdown:

\$0.00

\$0.00

**Program Income Received:**

\$0.00

\$0.00

**Total Funds Expended:**

\$39,078.96

\$39,078.96

Seminole County

\$39,078.96

\$39,078.96

**Match Contributed:**

\$0.00

\$0.00

**Activity Description:**

NSP funds will be used to pay reasonable program administration costs related to the planning and execution of the activities listed above. This includes costs related to staffing for overall program management, coordination, monitoring, reporting, and other eligible charges.

**Location Description:**

N/A

**Activity Progress Narrative:**

This activity funds NSP related staff costs, costs associated with properties reviewed but not selected for acquisition, and other program administration.

**Activity Location:**

<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Status / Accept</b>
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No Activity Locations Found

**Other Funding Sources Budgeted - Detail**

<b>Match Sources</b>	<b>Amount</b>
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No Other Match Funding Sources Found

<b>Other Funding Sources</b>	<b>Amount</b>
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No Other Funding Sources Found