

# Jul 1, 2011 thru Sep 30, 2011 Performance Report

**Grant Number:**  
B-11-MN-04-0508

**Obligation Date:**

**Grantee Name:**  
Peoria, AZ

**Award Date:**

**Grant Amount:**  
\$1,198,780.00

**Contract End Date:**  
03/09/2014

**Grant Status:**  
Active

**Reviewed By HUD:**  
Submitted - Await for Review

**QPR Contact:**  
Debbie Stone-Muller

## Disasters:

### Declaration Number

NSP

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

The City of Peoria's NSP3 target area is comprised of the area bounded by Peoria Avenue on the North, Olive Avenue on the South, 67th Avenue on the East and 75th Avenue on the West. This census tract (719.04) is the only area in the City of Peoria to contain the highest HUD foreclosure need score of 20. The City's NSP3 target area was selected using two primary factors: (1) the incidence of current and projected foreclosure activity/property abandonment/vacancy derived from the NSP3 need scores in the regions; and (2) the market feasibility of single family acquisition, rehabilitation and resale with financial support for households earning under fifty percent (50%) and one hundred twenty percent (120%) of the AMI.

The City of Peoria's NSP3 Program shall consist of acquisition, rehabilitation and resell of at least 9 foreclosed and/or abandoned properties within the designated Targeted Area to households earning less than one hundred twenty percent (120%) of AMI. The City will utilize the services of Habitat for Humanity Central Arizona and Chicanos Por La Causa, Inc. (CPLC) as developers to execute the project activities. Financial support will be provided to low-income purchasers as mortgage assistance via a soft-second security investment.

### How Fund Use Addresses Market Conditions:

With the NSP3 funds granted, the City anticipates increasing affordable homeownership to a minimum of 9 households while eliminating blighting conditions and increasing neighborhood stability within the designated target area.

### Ensuring Continued Affordability:

A minimum of twenty-five percent (25%) of NSP3 funds granted to the City will be used to assist households earning less than fifty percent (50%) of the Area Median Income (AMI). These units must remain affordable to households whose incomes do not exceed fifty percent (50%) of the AMI during the affordability period. The City will monitor projects to ensure income guidelines, long term affordability and all other program compliance terms are being met. Recaptured funds, if any, will be reinvested in the program.

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

Consistent with and in furtherance of Arizona Revised Statutes 36-1471, a blighted structure will be defined as real property which has been determined to have detrimental effects on the public health, safety, and/or general welfare. A blighted structure or dilapidated building is any real property structure that is in such disrepair or is damaged to the extent that its strength or stability is substantially less than a new building or it is likely to burn or collapse and its condition endangers the life, health, safety, or property of the public. Dilapidated buildings shall include, but not be limited to, those buildings that meet any or all of the following criteria:

- A. The building or structure's interior walls or other vertical structural members, list, lean or buckle to such an extent that a plumb line passing through the center of gravity falls outside of the middle third of its base.
- B. The building or structure, exclusive of the foundation, has thirty-three percent (33%) or more damage or deterioration to the supporting member or member's structural assembly, or fifty percent (50%) damage or deterioration to the non-supporting enclosing or outside walls or covering.
- C. The building or structure is infested by rodents, insects or other noxious pests, rendering it uninhabitable.
- D. The building or structure exhibits conditions that present actual hazards or dangers.
- E. The building or structure has been vacant and unsecured for more than forty-eight (48) hours, on more than one (1) occasion, during a previous twelve (12) month period.
- F. The building or structure or their contents represents an imminent health or fire hazard.

### **Definition of Affordable Rents:**

The City of Peoria will comply with HOME rent limits as described in 24CFR 92.252. (a), (c), (e) and (f) in accordance with the Neighborhood Stabilization Program requirements as outlined below:

- A. The fair market rent for existing housing for comparable units in the area as established by HUD under CFR 888.111; or
- B. A rent that does not exceed 30 percent (30%) of the adjusted income of a family whose annual income equals 65 percent (65%) of the median income for the area as determined by HUD, with adjustments for the number of bedrooms in the unit.

### **Housing Rehabilitation/New Construction Standards:**

Foreclosed and abandoned homes or residential properties will be rehabilitated to the extent necessary to comply with applicable laws, codes, federal Housing Quality Standards and other requirements relating to housing safety, quality, and habitability, in order to sell, rent, or redevelop such homes and properties. The City of Peoria and its developers will use the Minimum Basic Housing Rehabilitation Standards adopted by the Maricopa County HOME Consortium as the minimum standard for any rehabilitation activities. In addition, the City of Peoria and developer/s will include improvements whenever feasible to increase the energy efficiency of properties and to provide renewable energy source(s). The City of Peoria will establish and follow green building guidelines that can be strategically incorporated as cost effective, energy efficient improvements that ensure long term affordability, increased homeowner sustainability and improve the attractiveness of housing and neighborhoods.

### **Vicinity Hiring:**

The City of Peoria and its developers will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of the City's NSP3 target area or contract with small businesses that are owned and operated by persons residing in the vicinity of the City's NSP3 target area.

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

No NSP3 rental activities are anticipated by the City of Peoria at this time.

**Grantee Contact Information:**

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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	1,198,780
Total CDBG Program Funds Budgeted	N/A	1,198,780
Program Funds Drawdown	0	0
Program Funds Obligated	0	0
Program Funds Expended	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

**Progress Toward Required Numeric Targets**

Requirement	Required	To Date
Overall Benefit Percentage (Projected):		0%
Overall Benefit Percentage (Actual):		0%
Minimum Non-Federal Match	0	0
Limit on Public Services	179,817	0
Limit on Admin/Planning	119,878	0
Limit on State Admin	0	0

**Progress Toward Activity Type Targets**

Activity Type	Target	Actual
Administration	119,878	119,878

**Progress Toward National Objective Targets**

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	299,695	674,313.75

## Overall Progress Narrative:

The City of Peoria received its release of funds for its NSP Program from HUD during the 3rd Quarter of 2011. Additionally, the City finalized its Developer Agreement with Habitat for Humanity of Central Arizona and is in the process of finalizing its Developer Agreement with Chicanos Por La Causa, Inc (CPLC). The City anticipates that it will have a signed agreement with CPLC by November 2011.

Habitat for Humanity acquired the Program's first property in September 2011. The property is currently in the rehabilitation stage. Habitat anticipates that all rehabilitation and necessary inspections for the property will be complete the beginning of November 2011. An eligible family has been identified for this property and looks forward to moving into their new home.

## Project Summary

Project#, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
00001, Acquisition, Rehabilitation and Resale	0	1,078,902	0
0002, Administration	0	119,878	0
9999, Restricted Balance	0	0	0

## Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance		<i>No activities in this project</i>
00001	Acquisition, Rehabilitation and Resale		<i>No activities in this project</i>
0002	Administration		<i>No activities in this project</i>

## Activities