

Oct 1, 2009 thru Dec 31, 2009 Performance Report

Grant Number:
B-08-DN-22-0001

Obligation Date:

Grantee Name:
State of Louisiana

Award Date:

Grant Amount:
\$34,183,994.00

Contract End Date:

Grant Status:
Active

Reviewed By HUD:
Reviewed and Approved

QPR Contact:
No QPR Contact Found

Disasters:

Declaration Number

NSP

Plan Description:

Under the Housing and Economic Recovery Act (HERA) of 2008, the U.S. Department of Housing and Urban Development (HUD) allocated \$34,183,994 in grant funds to the State of Louisiana. It has been determined that the Louisiana Office of Community Development (OCD) will receive the allocated grant funds, referred to as the Neighborhood Stabilization Program (NSP). The Office of Community Development has designated the Louisiana Housing Finance Agency (LHFA) as the lead agency in distributing and monitoring the expenditures of these funds according to the guidelines outlined by HERA and guidance published in the October 6, 2008 Federal Register. OCD will be responsible for the oversight of the agreement between OCD and LHFA which will define the roles and responsibilities of each agency. Activities included in the NSP Substantial Amendment provide for the allocation of NSP funds to areas of greatest need identified throughout the State of Louisiana. The funds are intended to return foreclosed, abandoned or blighted property to the market in order to stabilize neighborhoods. One hundred percent of NSP funds must be used to benefit individuals and households that do not exceed 120% of area median income (AMI). Twenty five percent of the funds must be used to benefit persons at or below 50% AMI. OCD and the LHFA strongly encourage grantees to use NSP funds not only to stabilize neighborhoods in the short-term, but to strategically incorporate modern, green building and energy efficient improvements in all NSP activities to provide for long term affordability and increased sustainability and attractiveness of housing and neighborhoods.

Recovery Needs:

The State has determined the intent of this program is to stabilize neighborhoods, and given that available resources are scarce; it is in the State's best interest to designate a small area of concentrated need as the area of greatest need. By selecting this approach over one that would produce a larger area, the State believes that it will be better able to make a noticeable and significant impact on the ongoing stability of the selected neighborhoods. To determine the areas of greatest need within HUD's designated 8,661 Census Block Groups, the State considered four (4) factors using data made available by the U.S. Department of Housing and Urban Development. The review considered all block groups Statewide, including those located within jurisdictions eligible to receive a direct award of NSP funds. These factors considered were • Estimated foreclosure abandonment risk score, • HMDA high cost loan rate, • USPS residential vacancy rate and • Predicted eighteen (18) months underlying problem foreclosure rate. The process was as follows: First, the State considered the estimated foreclosure abandonment. In Louisiana these scores ranged from a low of zero (0) for nine block groups to a high of ten (10) for eighthundred and sixty-two (862) block groups. Since the 862 block groups that received a score of 10 represented nearly ten percent (10%) of the total number of block groups, it was decided that this would be the cut off point for determining greatest need. Second, the State rated all 8,660 block groups by the percentage of high cost loans. In Louisiana the percentage of high cost loans ranged from a low of zero percent (0%) for twenty-five block groups to a high of eighty-eight and nine tenths percent (88.9%) for two block groups. The ten percent cutoff was fifty-seven and six tenths percent (57.6%). Third, the State considered the USPS residential vacancy rate. In Louisiana this rate ranged from a low of zero percent for one-thousand nine-hundred and eight (1,908) block groups to a high of forty-six and four tenths (46.4%) for two block groups. The ten percent cutoff was seven and four tenths percent (7.4%). Fourth, the State looked at the predicted eighteen (18) months underlying problem foreclosure rate. In Louisiana these ranged from a low of zero (0%) for twenty block groups to a high of twelve and three tenths (12.3%) for two block groups. The ten percent cutoff was eight and one tenth percent (8.1%). After ranking the block groups by estimated foreclosure abandonment risk score, the State then eliminated all block groups that did not also receive the minimum (top 10%) score for high cost loans. Then the State further eliminated the block groups that failed to meet the minimum 10% threshold for USPS residential vacancy, and removed any block group that was not middle, low, moderate income eligible by program rule. The above methodology left one-hundred and ninety-two (192) block groups that were deemed to have the greatest need. These 192 block groups contain 128,044 people, of which 108,298 or 84.6 percent are middle income or less. They represent those block groups scoring the most severe conditions across all four (4) of the factors for low/moderate/middle income areas and are determined to be the areas of greatest need within the State. The block groups with the greatest need as determined by the State are located primarily in North Louisiana and in the South Louisiana metropolitan areas of Baton Rouge and New Orleans. The City of Shreveport contains thirty-two percent (32%) of the one hundred and ninetytwo neediest block groups (62 total block groups), including the two block groups that scored highest on foreclosure abandonment, high cost loans and predicted 18 months underlying problem foreclosure rate. Additionally the City of Shreveport contains 35 of the 100 neediest block groups within Louisiana and four of the ten neediest. The City of Alexandria has 13 of the neediest block groups, all of which are in the top 100, eight in the top 20, and six of the ten neediest block groups. The City of Monroe and Ouachita Parish have a total of 20 of the 192 neediest block groups, including five of the twenty neediest. The City of Baton Rouge has the largest number of block groups (35) outside of Shreveport that are in the 192 neediest including

six of the thirty neediest. Other areas with block groups in the 192 neediest are Orleans Parish with 14, Claiborne Parish with 12, Franklin Parish with 11, Iberia Parish with 8, Morehouse Parish and Tangipahoa Parish with 6 each and Calcasieu Parish with 5.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	32,805,435
Total CDBG Program Funds Budgeted	N/A	32,805,435
Program Funds Drawdown	215,360.03	573,600.76
Obligated CDBG DR Funds	0	1,183,680
Expended CDBG DR Funds	215,360.03	573,600.76
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Progress Toward Required Numeric Targets		
Requirement	Required	To Date
Minimum Overall Benefit Percentage	99.99	0
Minimum Non-Federal Match	0	0
Limit on Public Services	5,127,599.1	0
Limit on Admin/Planning	3,418,399.4	573,600.76
Limit on State Admin	0	0

Progress Toward Activity Type Targets		
Activity Type	Target	Actual

Progress Toward National Objective Targets		
National Objective	Target	Actual

Overall Progress Narrative:

HUD allocated \$3.92 billion on a formula basis to 309 grantees including 55 states and territories and 254 selected local governments. The program was designed to stabilize communities across America hardest hit by foreclosures. Under the Housing and Economic Recovery Act (HERA) of 2008, the U.S. Department of Housing and Urban Development (HUD) allocated \$34,183,994 in grant funds to the State of Louisiana. It has been determined that the Louisiana Office of Community Development (OCD) will receive the allocated grant funds, referred to as the Neighborhood Stabilization Program (NSP).

The Office of Community Development has designated the Louisiana Housing Finance Agency (LHFA) as the lead agency in distributing and monitoring the expenditures of these funds according to the guidelines outlined by HERA and guidance published in the October 6, 2008 Federal Register. OCD will be responsible for the oversight of the agreement between OCD and LHFA which will define the roles and responsibilities of each agency. Staff has been hired to implement the following activities: Homeownership, Rental, Homebuyer Education and Training, Land Banking.

Project#, Project Title	Project Summary		
	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
100, OCD Administration	23,112.96	683,680	100,289.72
101, LHFA's Administration	192,247.07	2,734,719	473,311.04
200, Homeownership Development	0	9,702,295	0
201, Homeownership-120% AMI or Below	0	0	0
300, Rental-25% Set Aside 50% AMI or Below	0	0	0
301, Rental Housing Development	0	18,974,800	0
400, Land Banking Assistance	0	2,000,000	0
500, Homebuyer Counseling	0	88,500	0
600, Homebuyer Bond Program	0	0	0
9999, Restricted Balance	0	0	0
BCKT, Bucket Project	0	0	0

Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
301	Rental Housing Development	<i>No activities in this project</i>	
400	Land Banking Assistance	<i>No activities in this project</i>	
BCKT	Bucket Project	<i>No activities in this project</i>	
200	Homeownership Development	<i>No activities in this project</i>	
500	Homebuyer Counseling	<i>No activities in this project</i>	
201	Homeownership-120% AMI or Below	<i>No activities in this project</i>	
101	LHFA's Administration	LHFA Admin (NSPL)	LHFA Admin (NSPL)

100	OCD Administration	OCD Admin (NSPA)	OCD Admin (NSPA)
300	Rental-25% Set Aside 50% AMI or Below	<i>No activities in this project</i>	
9999	Restricted Balance	<i>No activities in this project</i>	
600	Homebuyer Bond Program	<i>No activities in this project</i>	

Activities

Grantee Activity Number:
LHFA Admin (NSPL)

Activity Category:
Administration

Activity Title:
LHFA Admin (NSPL)

Project Number:
101

Activity Status:
Under Way

Projected Start Date:
03/20/2009

Project Title:
LHFA's Administration

National Objective:
N/A

Projected End Date:
03/20/2013

Responsible Organization:
OCD with LHFA

	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	2,734,719
Total CDBG Program Funds Budgeted	N/A	2,734,719
Program Funds Drawdown	192,247.07	473,311.04
Obligated CDBG DR Funds	0	500,000
Expended CDBG DR Funds	192,247.07	473,311.04
OCD with LHFA	192247.07	473311.04
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Performance Measures

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

No Performance Measures Found

Activity Description:

HUD allocated \$3.92 billion on a formula basis to 309 grantees including 55 states and territories and 254 selected local governments. The program was designed to stabilize communities across America hardest hit by foreclosures. Under the Housing and Economic Recovery Act (HERA) of 2008, the U.S. Department of Housing and Urban Development (HUD) allocated \$34,183,994 in grant funds to the State of Louisiana. It has been determined that the Louisiana Office of Community Development (OCD) will receive the allocated grant funds, referred to as the Neighborhood Stabilization Program (NSP).

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Experienced employees from OCD and LHFA provide training as needed to new hires. In addition, the OCD and LHFA received training from HUD, COSCDA, NeighborWorks and consultants. OCD is in close contact with our field HUD office for technical assistance. At the close of this quarter, OCD had one full-time employee servicing in the roll of program analyst. LHFA has six full-time employees consisting of an administrative assistant, manager, supervisor, three monitors. The administrative budget is used to fund salaries and related benefits, travel expenses, operating supplies and services, professional services, and inter-agency transfers.

During the pre-award process, several stakeholders meetings were held at various locations within the State to inform potential participants. Meetings were hosted to discuss the RFP process and sequence orientation for grantees. On January 7, 2009, HUD approved Louisiana Substantial Amendment Annual Action Plan and on March 20, 2009 the grant award was signed.

Awards were presented to a total of 23 grantees on a competitive basis on April 2009.

Location Description:

All designated areas

Activity Progress Narrative:

During the quarter ending December 2009, our team has continued to provide technical assistance to all of our sub-recipients. We completed an additional twelve agreements: City of Monroe (Homeownership), City of Alexandria (Rental Development, Homeownership and Land Banking), Gulf Coast Housing (Rental Development), and Enterprise Corporation (Homeownership), New Orleans Neighborhood Development (Homeownership), Habitat for Humanity of Louisiana (Homeownership), Southern Mutual Help association (Homeownership) and Northeast La Economic Alliance (Land Banking), Capital Area Alliance for the Homeless/Gulf Coast Housing Partnership (Rental), Rays of Sonshine (Rental). The remaining agreements are in the process of being reviewed by our grantees or prepared by the consultant. All non-city environmental projects had release of funds approved by November 2009. HUD's release of funds for City of Alexandria has been signed and City of Monroe and Shreveport are pending receipt. St. Mary's CDC decided to withdraw from the program due to the agreement structure of having a loan on their financial books (zero percent) instead of a grant.

We have posted on the LHFA's website the minor amendment regarding the revised purchase discount requirement per HUD regulatory changes. The bridge notices states that all properties acquired with NSP funds must be at a discount of no less than one percent (1%) from the current market appraised value of the property.

Total amount of administrative drawdown cost for the quarter is \$215,360.03.

OCD-\$23,112.96

LHFA-\$192,247.07

Activity Location:

Address	City	State	Zip
2415 Quail Drive	Baton Rouge	NA	70808

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources**Amount**

No Other Funding Sources Found

Grantee Activity Number:

OCD Admin (NSPA)

Activity Category:

Administration

Activity Title:

OCD Admin (NSPA)

Project Number:

100

Activity Status:

Under Way

Projected Start Date:

03/20/2009

Project Title:

OCD Administration

National Objective:

N/A

Projected End Date:

09/20/2010

Responsible Organization:

OCD with LHFA

	Oct 1 thru Dec 31, 2009	To Date
Total Projected Budget from All Sources	N/A	683,680
Total CDBG Program Funds Budgeted	N/A	683,680
Program Funds Drawdown	23,112.96	100,289.72
Obligated CDBG DR Funds	0	683,680
Expended CDBG DR Funds	23,112.96	100,289.72
OCD with LHFA	23112.96	100289.72
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Performance Measures

This Report Period**Cumulative Actual Total /
Expected**

Low	Mod	Total	Low	Mod	Total
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No Performance Measures Found

Activity Description:

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Location Description:

Areas identified as having greatest need.

Activity Progress Narrative:

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assistance to all of our sub-recipients. We completed an additional twelve agreements: City of Monroe (Homeownership), City of Alexandria (Rental Development, Homeownership and Land Banking), Gulf Coast Housing (Rental Development), and Enterprise Corporation (Homeownership), New Orleans Neighborhood Development (Homeownership), Habitat for Humanity of Louisiana (Homeownership), Southern Mutual Help association (Homeownership) and Northeast La Economic Alliance (Land Banking), Capital Area Alliance for the Homeless/Gulf Coast Housing Partnership (Rental), Rays of Sonshine (Rental). The remaining agreements are in the process of being reviewed by our grantees or prepared by the consultant. All non-city environmental projects had release of funds approved by November 2009. HUD's release of funds for City of Alexandria has been signed and City of Monroe and Shreveport are pending receipt. St. Mary's CDC decided to withdraw from the program due to the agreement structure of having a loan on their financial books (zero percent) instead of a grant.

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Total amount of administrative drawdown cost for the quarter is \$215,360.03.

OCD-\$23,112.96

LHFA-\$192,247.07

Activity Location:

Address	City	State	Zip
150 North 3rd Street	Baton Rouge	NA	70801

Other Funding Sources Budgeted - Detail

Match Sources	Amount
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No Other Match Funding Sources Found

Other Funding Sources	Amount
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No Other Funding Sources Found

