

Jan 1, 2011 thru Mar 31, 2011 Performance Report

Grant Number:
B-08-DN-05-0001

Obligation Date:

Grantee Name:
State of Arkansas

Award Date:

Grant Amount:
\$19,600,000.00

Contract End Date:

Grant Status:
Active

Reviewed By HUD:
Reviewed and Approved

QPR Contact:
Joe Riddle

Disasters: **Declaration Number**

NSP

Areas of Greatest Need:

The NSP for Arkansas is authorized by the Housing and Economic Recovery Act ("HERA") (Public Law 110-289), which was signed into law by President Bush on July 30, 2008. Originally introduced as HR 3221, HERA Division B, Title III, establishes the NSP grant under the Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes heading. The NSP is administered by the Department of Housing and Urban Development ("HUD") and is considered a special Community Development Block Grant ("CDBG") allocation. CDBG allocations for Arkansas are administered by statute by the Arkansas Economic Development Commission ("AEDC"). Arkansas is expected to receive \$19,600,000 for the 2009 Program Year, contingent upon application approval by HUD. Arkansas Development Finance Authority ("ADFA") the housing agency for the state of Arkansas, has been designated by AEDC as administrator of NSP funds for the State of Arkansas. This designation is by virtue of a Memorandum of Understanding (MOU) executed by AEDC and ADFA dated October 7, 2008. ADFA will distribute NSP funds for the following "eligible uses": 1.Acquisition of abandoned and foreclosed properties; 2.Rehabilitation of acquired abandoned and foreclosed properties; 3.Demolition of blighted abandoned and foreclosed structures acquired using NSP funds; 4.Reasonable developer's fees related to NSP-assisted housing rehabilitation or construction activities; 5.New construction; 6.Sale of residential properties acquired or acquired/rehabilitated using NSP funds; 7.Rental of residential properties acquired or acquired/rehabilitated using NSP funds; 8.Payment of reasonable down payment and closing cost assistance; 9.Interest rate buy-down for fixed-rate first mortgages for eligible purchasers; 10.General administration and planning activities. 11.Provide mortgage counseling to all purchasers of properties constructed, acquired or acquired/rehabilitated with NSP funds. The NSP funding is available statewide to any unit of local government, nonprofit organization, public housing authority, or private developer. Priority will be given to applicants proposing a project located in an area meeting the criteria established for greatest needs. ADFA anticipates that the amount of funds that can be applied for and approved will vary with population and need of the area. ADFA reserves the right to adjust contracted amounts based upon actual performance and progress to use the funds within the initial 18 months of the program.

Distribution and and Uses of Funds:

AREAS OF GREATEST NEED In determining areas of greatest need, ADFA will rely upon data provided by: 1)Local Initiatives Support Corporation ("LISC") 2)Department of Housing & Urban Development ("HUD") The Needs Score for areas in Arkansas range from 0 to 100, with a median score of 0.90. ADFA has determined a minimum Needs Score of 1.0 to indicate the areas of greatest need. Using LISC's Needs Score by U.S. Postal Service zip code area, ADFA has established the following as areas of greatest need ("Priority Areas"), translated into priority points: Level 1 - USPS zip code areas with INF score ≥ 10.0 15 priority pts Level 2 - USPS zip code areas with INF score ≥ 3.0 but ≤ 9.9 10 priority pts Level 3 - USPS zip code areas with INF score ≥ 1.0 but ≤ 2.9 5 priority pts In addition, ADFA has designated additional areas of need, to be those 15 counties in Arkansas, identified by HUD, with the highest number of foreclosures ("Priority Counties"). Category A - counties with 1000 or more foreclosures: Benton; Pulaski; & Washington 10 priority pts Category B - counties with 500-999 foreclosures: Craighead; Garland; Saline; & Sebastian 7 priority pts Category C - counties with 300-499 foreclosures: Boone; Crawford; Crittenden; Faulkner; Jefferson; Lonoke; Mississippi; & White 5 priority pts **DISTRIBUTION & USES OF FUNDS** ADFA will distribute NSP funds on a competitive basis. Applicants must submit an application in accordance to established guidelines. Staff will review & score all applications according to Proposed Scoring Criteria. Points will be given to each application based upon: Need; Capacity; Financing; Quality of Plan; Ultimate Neighborhood Stabilization Goals; Time of Performance. Staff will submit their recommendations to ADFA's Board of Directors for final decision. **DEFINITIONS & DESCRIPTIONS** A structure shall be defined as blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, & public welfare. The Arkansas Code does not provide a definition of a "blighted

structure." For purposes of the NSP, "affordable rents" shall be in accordance with the HOME Program Rents & FMRs as delineated in the HOME Investment Partnerships Program. The "affordable rents" are as follows: •Beneficiaries whose total household income is ≤ 50% of AMI–Low HOME Rent •Beneficiaries whose total household income is 50%-60% of AMI–High HOME Rent •Beneficiaries whose total household income is 60%-120% of AMI–FMR Any activities undertaken NSP funds must adhere to affordability requirements as follows based on the total amount of NSP funds used for the activity: • 5 years---Under •10 years-- \$15,000-\$40,000 •15 years-- Over \$40,000 •20 years---New construction or acquisition of rental Housing that is rehabilitated or constructed with NSP funds shall, upon completion, meet or exceed all applicable minimum housing code & accessibility standards, as established by ADFA, & all state & local housing, State Model Energy Code, zoning, fire, & building codes, as amended. The ADFA Minimum Design Standards & the ADFA HOME Program General Specifications/Performance Manual describe construction/rehabilitation standards established by the agency. **LOW INCOME TARGETING** At least 25% of funds must be used for housing individuals & families whose incomes do not exceed 50 percent of area median income. The remaining balance of funds will target households at or below 120% AMI. On 11/14/08 ADFA advertised & posted on their website for public comments. Comments were received from 8 entities. All comments received were included in the submission to HUD on December 1, 2008.

Definitions and Descriptions:

Low Income Targeting:

Acquisition and Relocation:

Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	19,600,000
Total CDBG Program Funds Budgeted	N/A	19,600,000
Program Funds Drawdown	90,886.94	9,641,613.48
Program Funds Obligated	0	19,600,000
Program Funds Expended	0	0
Match Contributed	0	0
Program Income Received	85,073.43	85,073.43
Program Income Drawdown	85,073.43	85,073.43

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	2,940,000	0
Limit on Admin/Planning	1,960,000	125,958.65
Limit on State Admin	0	125,958.65

Progress Toward Activity Type Targets

Activity Type	Target	Actual

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	4,900,000	12,480,974

Overall Progress Narrative:

During this quarter, staff continued to provide technical assistance to all our subrecipients. Fort Smith Housing Authority is 77% complete. City of North Little Rock is scheduled to close and will begin construction in the near future. Reed Property Group I have closed and have started construction. The Meadows of Rogers has started construction. They are 14% complete.

Project Summary

Project#, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	0	0	0
NSP ACQ/R SF (B), Acquisition & Rehab (Single Family)	0	1,838,184	165,549.5
NSP ACQ/RR (B), Acquisition & Rehab (Rental)	0	7,748,974	7,748,915.03
NSP ADMIN, Administration	35,327.73	1,960,000	125,958.65
NSP DEM (D), Demolition	0	0	0
NSP HCN (E), Housing Counseling	0	0	0
NSP NCSF (E), New Construction (Single Family)	17,823.35	3,320,842	898,760.16
NSP RNC (E), New Construction (Rental)	37,735.86	4,732,000	702,430.14

Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
NSP NCSF (E)	New Construction (Single Family)	5-NSP SFNC (FT. SMITH HA)	FT. SMITH HOUSING AUTHORITY
NSP HCN (E)	Housing Counseling	No activities in this project	
9999	Restricted Balance	No activities in this project	
NSP ACQ/RR (B)	Acquisition & Rehab (Rental)	No activities in this project	
NSP ADMIN	Administration	1-NSP ADMIN	NSP ADMINISTRATION
NSP RNC (E)	New Construction (Rental)	3-NSP RNC (MEADOWS) LP	MEADOWS OF ROGERS SR CITIZEN COMPLEX LP
NSP ACQ/R SF (B)	Acquisition & Rehab (Single Family)	No activities in this project	
NSP DEM (D)	Demolition	No activities in this project	

Activities**Grantee Activity Number:**

1-NSP ADMIN

Activity Title:

NSP ADMINISTRATION

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

NSP ADMIN

Project Title:

Administration

Projected Start Date:

03/20/2009

Projected End Date:

03/20/2013

National Objective:

N/A

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

ADFA

Benefit Type:

N/A

	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	1,960,000
Total CDBG Program Funds Budgeted	N/A	1,960,000
Program Funds Drawdown	35,327.73	125,958.65
Program Funds Obligated	0	1,960,000
Program Funds Expended	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Activity Description:

ADMINISTRATION

Location Description:

ADFA ADMINISTRATION

Activity Progress Narrative:

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

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

Grantee Activity Number:
3-NSP RNC (MEADOWS)

Activity Title:
MEADOWS OF ROGERS SR CITIZEN COMPLEX LP

Activity Category:
Construction of new housing

Activity Status:
Under Way

Project Number:
NSP RNC (E)

Project Title:
New Construction (Rental)

Projected Start Date:
03/05/2010

Projected End Date:
09/01/2011

National Objective:
NSP Only - LH - 25% Set-Aside

Completed Activity Actual End Date:

Responsible Organization:

ADFA

Benefit Type:

Direct Benefit (Households)

	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	4,732,000
Total CDBG Program Funds Budgeted	N/A	4,732,000
Program Funds Drawdown	37,735.86	702,430.14
Program Funds Obligated	0	4,732,000
Program Funds Expended	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	0/50
# of Multifamily Units	0	0/50

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/25	0/25	0/50	0
# Renter Households	0	0	0	0/25	0/25	0/50	0

Activity Description:

ACQUISITION/REHAB

Location Description:

602 SOUTH 20TH STREET, ROGERS, AR 72758

Activity Progress Narrative:

Activity Location:

Address	City	State	Zip
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No Activity Locations Found

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

Grantee Activity Number:
5-NSP SFNC (FT. SMITH HA)

Activity Title:
FT. SMITH HOUSING AUTHORITY

Activity Category:
Construction of new housing

Activity Status:
Under Way

Project Number:
NSP NCSF (E)

Project Title:
New Construction (Single Family)

Projected Start Date:
04/01/2010

Projected End Date:
10/01/2011

National Objective:
NSP Only - LMMI

Completed Activity Actual End Date:

Responsible Organization:
ADFA

Benefit Type:
Direct Benefit (Households)

	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	1,317,339
Total CDBG Program Funds Budgeted	N/A	1,317,339
Program Funds Drawdown	17,823.35	898,760.16
Program Funds Obligated	0	1,317,339
Program Funds Expended	0	0
ADFA	0	0
Match Contributed	0	0
Program Income Received	85,073.43	85,073.43
Program Income Drawdown	85,073.43	85,073.43

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	0/8
# of Singlefamily Units	0	0/8

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	0/8	0/8	0
# Owner Households	0	0	0	0/0	0/8	0/8	0

Activity Description:

Location Description:

Activity Progress Narrative:

Activity Location:

Address

City

State

Zip

No Activity Locations Found

Other Funding Sources Budgeted - Detail

Match Sources

Amount

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found