

Grantee: Middletown, OH

Grant: B-08-MN-39-0011

April 1, 2013 thru June 30, 2013 Performance Report



Grant Number:

B-08-MN-39-0011

Obligation Date:**Award Date:****Grantee Name:**

Middletown, OH

Contract End Date:**Review by HUD:**

Submitted - Await for Review

Grant Amount:

\$2,144,379.00

Grant Status:

Active

QPR Contact:

Kyle Fuchs

Estimated PI/RL Funds:

\$725,000.00

Total Budget:

\$2,869,379.00

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

Areas of Greatest Need: The City of Middletown's is utilizing the information provided by HUD that lists the percentages of high cost loans, vacant properties, and the predicted 18 month underlying foreclosure rate in the LMMI census tracts. We have added these 3 percentages for each census tract and sorted the information from highest percentage to the lowest. The City has also created a map showing the census tracts at < 80% of median income and < 120% of median income. We pulled a current list of foreclosed properties that were provided by Butler county and overlaid those properties onto the map. Distribution and Uses of Funds: We have separated the LMMI census tracts in the city and for each individual tract have added the percentages of: foreclosed/vacant properties, properties financed with Hi-cost financing, and the estimated foreclosure for the next 18 months. Much of our efforts will be focused in the areas with those higher total percentages. However, staff has determined that ALL areas of the City are facing high risk. Therefore, the City will administer all NSP programs on a city-wide basis. Although projects may be in several different census tracts, the vast majority of the work will be in areas with a foreclosure abandonment risk score of at least 9 or higher. Definitions and Descriptions: The definition of a blighted structure can fall under one or several categories that we utilize: 1.)The cost to rehab the property to bring it to code must exceed 60% of the tax assessed value. 2.)It is deemed unsafe for the area and has to come down due to public safety. 3.)The property has been vacant for more than 90 days and is dilapidated and neglected and the cost to bring the property to code could not be justified for the area. If the property falls under 1 or more of the above mentioned, then it fits our definition of a blighted structure. Affordable Rents: For the purposes of the NSP program, the City will utilize the definition of low-HOME rents from the HOME Investment Partnerships program. Continued Affordability: On all the properties that are acquired, rehabbed, and resold, the city will provide a repayable second mortgage on the property at 20% of its purchase price. The buyer would then only have to finance 80% of the purchase property through traditional means. The second mortgage with the city will be at a 10 year term with an interest rate ranging from 0 to 3% depending on the buyer's percentage of median income. Housing Rehab Standards: We will use the same standards utilized under the HOME program. All code and insipient code violations will be addressed and repaired. The City will adhere to the International Property Maintenance Code (IPMC) as well as local building codes and ordinances.

Distribution and and Uses of Funds:

Low Income Targeting: Amount of funds committing to less than 50% AMI=\$536,095. Although this number may be higher, we are only committing to utilize 25% of the NSP funds to purchase and redevelop abandoned or foreclosed upon homes for sale to households at or below 50% of area median income. Acquisition and Relocation: The City of Middletown does intend to demolish vacant low and moderate income dwelling units as well as rehabbing some of the properties. - We plan to target at least 50% of our efforts (demolition and rehab) in census tracts that are less than or equal to 80% of area median income. - We estimate 11 NSP affordable housing units to be made available to LMMI households. To reach this goal in our time frame, 1 to 2 properties will have to be completed every 2 months. - An additional estimated 9 units are expected to be made available for households whose income does not exceed 50% of area median income. - Although there is a slight possibility, we are not planning on new construction activity. We are only looking for projects involving acquisition-rehab. Public Comment: The City published a public notice announcing the availability of the NSP Substantial Amendment for review and comment in the Middletown Journal on 11/10/2008 as well as 11/13/2008 (see certification attached). In addition, on 11/7/2008 the City posted a copy of the amendment on its website at: <http://www.cityofmiddletown.org/nsp> as well as public postings being placed in the city's library, community center, and senior center. The city is allowing 15 days for citizen comments. The comment period will expire on 11/22/2008. All written comments received by the city will be considered before submitting the final amendment to HUD. All comments should be addressed to: City of Middletown Community Revitalization Division, 4th Floor Attn: Kyle Fuchs One Donham Plaza Middletown, OH 45042 *Overview of Comments: - A citizen sent an email response on 11/12/08 with positive remarks on the city's overall plan. He did inquire as to why there were going to be 34 more demolitions than acquisitions and rehab. - REPLY: Due to the time constraint put forth on this program (i.e. 18 months), it simply was not feasible to commit to more acquisition and rehab than the city could undertake in that time frame. It is inevitable that



the city will be able to undertake more demolition than acquisition and rehab simply due to the cost of each. The amount of funds (and time) it takes for an acquisition and rehab project is about 10 times more than it takes to demolish a blighted property. -The city sent a response to the citizen who made the comment explaining the above mentioned. - A fax was received by the city on 11/20/2008 from Legal Aid Society of Southwest Ohio, LLC. They commented that the city be open to rent to own programs for those households < 50% of median income due to the market making it more difficult for those households to get financed. They also commented that it may be a good idea to leave open the possibility of providing some rental housing under the program. - REPLY: First and foremost the City of Middletown wants to help as many families as possible become quality homeowners. With the way the city is incorporating the period of affordability by means of a low-interest loan second mortgage, it should help allow more people get approved for a first mortgage. However, if the city finds that loan qualifications do in fact become a problem, the city would be willing to look at other options which may include rent to own programs or forgivable seconds (this may or may not require an NSP amendment depending on the change). The City of Middletown has not decided to incorporate any further rental housing due to the large number of available rental units the city currently has outstanding. The cost to rent in Middletown is still low and rental vacancies are abundant.

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	\$4,625,678.49
Total Budget	\$40,000.00	\$2,490,458.49
Total Obligated	\$53,206.90	\$2,451,951.70
Total Funds Drawdown	\$53,876.76	\$2,372,475.77
Program Funds Drawdown	\$53,876.76	\$1,835,734.50
Program Income Drawdown	\$0.00	\$536,741.27
Program Income Received	\$0.00	\$536,741.27
Total Funds Expended	\$53,876.76	\$2,368,664.23
Match Contributed	\$0.00	\$0.00



Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$321,656.85	\$0.00
Limit on Admin/Planning	\$214,437.90	\$264,231.31
Limit on State Admin	\$0.00	\$264,231.31

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$536,094.75	\$608,486.00

Overall Progress Narrative:

This expenses this past quarter consisted mostly of holding costs, administrative, and the purchase of the property at 2903 Oxford avenue for eventual rehab and resell.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Administration	\$26,310.70	\$268,037.00	\$215,168.78
2, Purchase and Rehabilitation to 120% AMI	\$0.00	\$925,140.58	\$644,475.45
258, NSP	\$0.00	\$0.00	\$0.00
3, Purchase and Rehabilitation to 50% AMI	\$25,862.74	\$780,486.00	\$452,892.42
4, Demolish Blighted Structures	\$1,703.32	\$700,000.00	\$523,197.85
9999, Restricted Balance	\$0.00	\$0.00	\$0.00



Activities

Grantee Activity Number: 100
Activity Title: Administration

Activity Category:

Administration

Project Number:

1

Projected Start Date:

01/01/2009

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

07/01/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Middletown

Overall

Total Projected Budget from All Sources

Apr 1 thru Jun 30, 2013

N/A

To Date

\$268,037.00

Total Budget

\$0.00

\$268,037.00

Total Obligated

\$26,310.70

\$264,231.31

Total Funds Drawdown

\$26,310.70

\$264,231.31

Program Funds Drawdown

\$26,310.70

\$215,168.78

Program Income Drawdown

\$0.00

\$49,062.53

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$26,310.70

\$264,231.31

City of Middletown

\$26,310.70

\$264,231.31

Match Contributed

\$0.00

\$0.00

Activity Description:

The City will pay for staff and other delivery costs to ensure the NSP program is run efficiently and adhering to the guidelines of the program.

Location Description:

City of Middletown 1 Donham Plaza Middletown, OH 45042

Activity Progress Narrative:

These expenditures were for administrative expenses consisting primarily of staff salaries.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.



Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP	\$214,437.00
Total Other Funding Sources	\$214,437.00



Grantee Activity Number: 301
Activity Title: 915 Malvern

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

3

Projected Start Date:

01/28/2010

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Purchase and Rehabilitation to 50% AMI

Projected End Date:

08/30/2011

Completed Activity Actual End Date:

Responsible Organization:

City of Middletown

Overall	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$177,076.00
Total Budget	\$0.00	\$177,076.00
Total Obligated	\$0.00	\$177,076.00
Total Funds Drawdown	\$669.86	\$175,924.80
Program Funds Drawdown	\$669.86	\$104,912.34
Program Income Drawdown	\$0.00	\$71,012.46
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$669.86	\$175,924.80
City of Middletown	\$669.86	\$175,924.80
Match Contributed	\$0.00	\$0.00

Activity Description:

24 CFR 570.201(a) Acquisition and 570.202 Rehabilitation: This program will primarily focus on areas that have a foreclosure abandonment risk score of 9 or higher. This property is being purchased to alleviate blight and to encourage home ownership to LMMI households.

Location Description:

The property is located at 915 Malvern St, Parcel Q6532034000085, (Census Tract 122, Blk Grp 4, Risk score=10).

Activity Progress Narrative:

These expenses this past quarter were for holding costs consisting of utility payments.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	2/1
#Efficient AC added/replaced	0	0/1
#Replaced thermostats	0	0/1
#Replaced hot water heaters	0	0/1
#Light Fixtures (indoors) replaced	0	0/10



#Light fixtures (outdoors) replaced	0	0/3
#Refrigerators replaced	0	0/1
#Dishwashers replaced	0	0/1
#Units with bus/rail access	0	0/1
# ELI Households (0-30% AMI)	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/1
# of Singlefamily Units	0	0/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/1	0/0	0/1	0
# Owner Households	0	0	0	0/1	0/0	0/1	0

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: 305

Activity Title: 2903 Oxford Ave

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Under Way

Project Number:

3

Project Title:

Purchase and Rehabilitation to 50% AMI

Projected Start Date:

06/03/2013

Projected End Date:

09/15/2013

Benefit Type:

Direct Benefit (Households)

Completed Activity Actual End Date:

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Middletown

Overall

	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$40,000.00
Total Budget	\$40,000.00	\$40,000.00
Total Obligated	\$25,192.88	\$25,192.88
Total Funds Drawdown	\$25,192.88	\$25,192.88
Program Funds Drawdown	\$25,192.88	\$25,192.88
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$25,192.88	\$25,192.88
City of Middletown	\$25,192.88	\$25,192.88
Match Contributed	\$0.00	\$0.00

Activity Description:

Location Description:

Located at 2903 Oxford Ave, Middletown, OH 45042. Parcel number is: Q6511035000074.

Activity Progress Narrative:

This was for the purchase and appraisal of the property located at 2903 Oxford Ave.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1
#Efficient AC added/replaced	0	0/1
#Replaced hot water heaters	0	0/1
#Refrigerators replaced	0	0/1
#Dishwashers replaced	0	0/1
#Units with bus/rail access	0	0/1



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/1
# of Singlefamily Units	0	0/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/1	0/0	0/1	0
# Owner Households	0	0	0	0/1	0/0	0/1	0

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: 411

Activity Title: Demo Group 11

Activity Category:

Clearance and Demolition

Project Number:

4

Projected Start Date:

05/19/2011

Benefit Type:

Area Benefit (Census)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

Demolish Blighted Structures

Projected End Date:

06/01/2012

Completed Activity Actual End Date:

Responsible Organization:

City of Middletown

Overall

	Apr 1 thru Jun 30, 2013	To Date
Total Projected Budget from All Sources	N/A	\$250,000.00
Total Budget	\$0.00	\$250,000.00
Total Obligated	\$1,703.32	\$230,106.02
Total Funds Drawdown	\$1,703.32	\$230,106.02
Program Funds Drawdown	\$1,703.32	\$86,882.43
Program Income Drawdown	\$0.00	\$143,223.59
Program Income Received	\$0.00	\$1,870.00
Total Funds Expended	\$1,703.32	\$230,106.02
City of Middletown	\$1,703.32	\$230,106.02
Match Contributed	\$0.00	\$0.00

Activity Description:

24 CFR 570.201(d) Clearance for blighted structures: "This program will focus on areas that have a foreclosure risk score of 9 or higher." All the properties demolished under this activity number were funded with program income resulting from the acquisition/rehab/resale of properties under this grant.

Location Description:

All properties demolished under this activity number are funded with NSP program income. The locations are all in NSP Census tracts with a foreclosure risk score of 9 or higher. All properties show significant blight and are vacant. Eliminating these properties from the current housing stock will help curb crime and vandalism and improve the overall values of the neighborhoods.

Activity Progress Narrative:

Property taxes for 829 Tenth and 324 Vanderveer

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/25



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/25
# of Singlefamily Units	0	0/25

Beneficiaries Performance Measures

No Beneficiaries 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	

