

**Grantee: Hammond, IN**

**Grant: B-08-MN-18-0006**

**October 1, 2010 thru December 31, 2010 Performance Report**

**Grant Number:**

B-08-MN-18-0006

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

Hammond, IN

**Award Date:****Grant Amount:**

\$3,860,473.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**QPR Contact:**

Dennis Radowski

**Disasters:****Declaration Number**

NSP

**Narratives****Areas of Greatest Need:**

After reviewing the data listed in Section A of this application, staff has determined that ALL areas of the City except census tract 040300-block group 5 as described on page 3 face a high risk of destabilization due to the foreclosure crisis. HUD has assigned a high risk score to 86 of the 87 census block groups in Hammond (scoring 9 or 10 out of a scale of 10).

**Distribution and and Uses of Funds:**

Neighborhood Stabilization Program (NSP) funds are needed to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The City will use the NSP funds to acquire, demolish, rehabilitate or otherwise redevelop foreclosed, abandoned, and vacant properties in areas of greatest need. The City will also use NSP funds to provide financing to income eligible homebuyers to acquire redeveloped properties.

**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

\$3,860,473.00

**Total CDBG Program Funds Budgeted**

N/A

\$3,860,473.00

**Program Funds Drawdown**

\$1,129,995.84

\$1,863,340.57

<b>Program Funds Obligated</b>	\$0.00	\$3,860,473.00
<b>Program Funds Expended</b>	\$574,662.24	\$1,056,761.67
<b>Match Contributed</b>	\$0.00	\$51,134.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</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>		0.00%
<b>Overall Benefit Percentage (Actual)</b>		0.00%
<b>Minimum Non-Federal Match</b>	\$0.00	\$51,134.00
<b>Limit on Public Services</b>	\$579,070.95	\$0.00
<b>Limit on Admin/Planning</b>	\$386,047.30	\$234,852.87
<b>Limit on State Admin</b>	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

<b>National Objective</b>	<b>Target</b>	<b>Actual</b>
<b>NSP Only - LH - 25% Set-Aside</b>	\$965,118.25	\$2,174,425.65

## Overall Progress Narrative:

Through 12/31/10 the City of Hammond has acquired 34 properties under its NSP, 18 of which were acquired during this reporting period. An additional 3 properties are scheduled for acquisition in January 2011. The City has an additional 8 properties in which it has expressed an interest, with agreed to purchase prices, and expects to acquire by 2/28/2011. Of the 45 total properties identified, 13 are in various stages of Abatement or Rehabilitation. 5 properties are completed with 1 having a pending sales contract, subject to the buyer obtaining financing; 2 are currently listed for sale with a realtor, and 2 are awaiting a Final Clearance for the work completed. The Final clearances are expected to be received by 1/15/2011. Of the 13 undergoing Abatement and Rehabilitation it is expected that a minimum of 5 properties will be ready for Final Clearance Examinations by 2/10/2011. The 5 properties upon receiving Final Clearances should be listed for sale with a realtor by 2/17/2011. Adverse weather conditions have impeded the exterior rehabilitation of a number of properties. To compensate for those delays contractors have been assigned to projects in need of interior rehabilitation.

To date 44.11% of the properties have been identified and allocated to the LMMI (75%) Activities and 55.89% have been identified and allocated to the LI (25%) Activities.

It should also be noted that the City of Hammond has realized an increase in Sheriff Sales Foreclosures in 2010. Seven hundred and seventeen (717) foreclosures were listed for sale in the monthly Lake County Sheriff's Sales reports.

In November 2010, the City of Hammond's NSP staff entered into a cooperative effort with Hammond Development Corporation and Centier Bank to provide computer training to NSP Contractors. Representatives from ten companies attended four eight hour comprehensive training sessions at the Hammond INnovation Center. The training consisted of lessons relating to software products such as QuickBooks, QuickBooks for Contractors, Word, Excel, Outlook, Publisher, and Web Design. At the completion of the training workshop each participant received a lap top computer complete with software for utilization at their respective businesses. The Computer Training Workshops expect to be conducted on a quarterly basis. The workshop was conducted by Anna M. Sheets, CPA

and a Certified QuickBooks ProAdvisor. This workshop was given at no cost to the attendees or to Hammond NSP. All expenses were met through a grant obtained by Hammond Development corporation, in addition to a five thousand dollar donation by Centier Bank.

With the success of the Computer Training Workshop, Hammond's NSP staff again entered into a cooperative effort with Hammond Development Corporation and Centier Bank to assist local contractors and businesses attain State of Indiana Certification as a Minority-Owned Business Enterprise and/or a Woman-Owned Business Enterprise. The workshops are scheduled to begin on January 11, 2011 and continue through February 8, 2011. This workshop was presented at no cost to the participants. The City of Hammond NSP contributed one thousand dollars to the workshop and was matched in like by a donation from Centier Bank. The MBE/WBE Certification Workshop will also continue on a quarterly basis. This cooperative effort will assist Hammond NSP staff to select from a larger group of WBE/WBE in its procurement process.

The City of Hammond NSP staff has also entered into a verbal agreement with one of its NSP contractors, Amereco, to provide OSHA Workplace Safety Training Practices for Construction Workers. The training is expected to begin on March 2, 2011, with the capacity for an estimated 40 participants. The three hour training session will be made available at no cost to the participants. Individuals completing the training will have their contact information made available to all contractors and sub contractors participating in Hammond's NSP. The Hammond NSP Contractors and sub contractors will also be invited to attend. This training session is intended to further assist the contractors and the City of Hammond NSP meet the Section 3 and Vicinity Hiring requirements of NSP. The training will be conducted at a local community center located in an area whose census tracts are designated as a Moderate Income Areas. However 2010 Estimated Tract Family Income is at 69% of the HUD estimated MSA Median Family Income. It would appear that residents of this area may be prospective candidates for this program.

In December 2010, The City of Hammond NSP staff had published an Request For Qualifications (RFQ) for a Realtor/Broker to market its NSP properties for sale. Eleven Broker/Realty firms submitted an interest in providing these services. McColly Real Estate licensed in both the State of Indiana and the State of Illinois was selected as the most qualified of the realtors to perform this service. McColly Real Estate presented qualifications that included the largest number of single family homes listed and sold in Hammond for the last three years. In addition McColly Real Estate presented the most comprehensive marketing plan for the sales of NSP properties. In the plan design was an extensive electronic marketing strategy which included a Virtual Tour of each property being listed. The Hammond Redevelopment Commission approved McColly Real Estate as listing agent for Hammond NSP properties on the recommendation by Hammond NSP staff.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
NSP-1, Financing Mechanisms for Purchase and Rehabilitation	\$0.00	\$0.00	\$0.00
NSP-2, ACQUISITION-REHABILITATION OF FORECLOSED	\$474,889.75	\$1,300,000.00	\$853,599.36
NSP-3, Land Banking	\$0.00	\$0.00	\$0.00
NSP-4, DEMOLITION OF BLIGHTED STRUCTURES	\$0.00	\$0.00	\$0.00
NSP-5, ACQUISITION-REHABILITATION OF FORECLOSED,	\$562,763.28	\$2,174,425.65	\$774,888.34
NSP-6, ADMINISTRATION OF THE NSP PROGRAM	\$92,342.81	\$386,047.35	\$234,852.87

## Activities

**Grantee Activity Number:** NSP - 2.1

**Activity Title:** ACQUISITION-REHABILITATION

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

NSP-2

**Projected Start Date:**

04/01/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

ACQUISITION-REHABILITATION OF FORECLOSED

**Projected End Date:**

03/31/2014

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Hammond

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2010</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,300,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,300,000.00
<b>Program Funds Drawdown</b>	\$474,889.75	\$853,599.36
<b>Program Funds Obligated</b>	\$0.00	\$1,300,000.00
<b>Program Funds Expended</b>	\$322,592.33	\$644,964.66
City of Hammond	\$322,592.33	\$644,964.66
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The City will purchase and rehabilitate foreclosed homes and properties in target areas. Homes will be bought at a minimum discount of fifteen percent from the appraised value. Units will be sold to homebuyers whose household income is at or below 120% of the area median income.

**Location Description:**

Foreclosures throughout the City. Specific addresses yet to be determined. Locations will be based on areas of greatest need.

**Activity Progress Narrative:**

Activity 2.1

Through 12/31/10 all activity locations had been acquired by the City of Hammond with the exception of three: 842 176th Street, 912 Mulberry Street, and 7218 Monroe Avenue. Purchase Prices have been agreed on for each of the three remaining prices; NSP staff has executed its portion of the Purchase Agreements and is awaiting the fully executed Purchase Agreement from the Sellers. NSP staff and its consultants are in the process of completing the documentation for the Environmental Review process for the three properties.

Of the thirteen acquired properties 7505 Magnolia Avenue is completed and currently listed for sale with a real estate broker for \$113,500. 6513 Idaho Avenue is substantially (80%) completed with an anticipated completion date of 1/31/11. The Abatement Contractor at 6918 Jackson is awaiting Interim Clearance for Lead base Paint Abatement; with the Clearance the Rehabilitation Contractor will begin with an expected 45 days to completion.

Properties currently owned:

- 1748 Davis Avenue
- 912 Mulberry Avenue
- 7218 Monroe Avenue
- 842 176th Street
- 6513 Idaho Avenue
- 6324 Nebraska Avenue

937 174th Place  
 6411 Forest Avenue  
 7338 Magoun Avenue  
 6918 Jackson Avenue  
 7505 Magnolia Avenue  
 935 175th Street  
 4019 Johnson Avenue  
 7228 Wicker Avenue  
 1621 173rd Street  
 6229 Rev Burns Drive

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/12

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing 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	0/0	0/12	0/12	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:** NSP - 5.1

**Activity Title:** Acquisition/Rehab of Foreclosed Properties

**Activity Category:**

Rehabilitation/reconstruction of residential structures

**Project Number:**

NSP-5

**Projected Start Date:**

04/01/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

ACQUISITION-REHABILITATION OF FORECLOSED,

**Projected End Date:**

03/31/2014

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Hammond

<b>Overall</b>	<b>Oct 1 thru Dec 31, 2010</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$2,174,425.65
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$2,174,425.65
<b>Program Funds Drawdown</b>	\$562,763.28	\$774,888.34
<b>Program Funds Obligated</b>	\$0.00	\$2,174,425.65
<b>Program Funds Expended</b>	\$159,727.10	\$319,454.20
City of Hammond	\$159,727.10	\$319,454.20
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The City will use funds to rehabilitate foreclosed, vacant properties into affordable housing within target areas. At least \$965,118.37 will be used for the purchase and rehabilitation of properties that will benefit households whose incomes do not exceed 50% of the area median income in order for this activity to meet the NSP statutory requirements. That 25% (\$965,118.37) of NSP funds are to serve those at or below 50% of AMI, The City of Hammond will ensure the property that is rehabilitated will be secured by deed restrictions to for all units to comply with the affordability periods of the HOME Program (24 CFR 92.252(e) for rental and 92.254(a)(4) for homebuyer). Homes will be bought at a minimum discount of one percent from the appraised value.

**Location Description:**

Vacant foreclosed properties throughout the City. Specific addresses yet to be determined.

**Activity Progress Narrative:**

**Activity 5.1**

Through 12/31/10 all activity locations had been acquired by the City of Hammond with the exception of six: 1013-1015 May Street, 6712 Colorado Avenue, 6331 Madison Avenue, 537 Hoffman Street, 4615 Johnson Avenue, 223 Williams Street. 1013-15 May Street has a delayed closing to title defects; 6712 Colorado Avenue is awaiting a SHPO 106 Release Letter; the remaining properties have agreed on purchase prices with the Purchase Agreements executed by the City of Hammond and are awaiting fully executed Purchase Agreements from the Sellers.

1242 177th Place is completed; an offer for the listing price of \$95,500 was received and a real estate contract signed. The prospective buyer completed the HUD-certified Home Ownership Training and obtained a Pre-Approval Letter for a 30 year fixed rate mortgage loan from a bank. The Buyer has applied to the bank for the loan and is in the process of underwriting.

6334 Tennessee Avenue is completed and will be listed for sale on January 4, 2011 for \$90,000.

6351 Monroe Avenue is completed and awaiting Final Clearance. With receipt of the Final Clearance the property will be listed for sale at \$92,500.

3815 165th Street has obtained Interim Clearance with the rehabilitation to begin on 1/4/11.

3918 Henry Avenue has obtained Interim Clearance and the rehabilitation began on 12/4/10.  
 6823 Parrish Avenue has the Abatement process scheduled to start on 1/21/11.  
 6928 Magoun Avenue is substantially (80%) completed with a Final Clearance Examination to be scheduled for 1/21/11. With a Final Clearance it will be listed for \$90,000.  
 5624 Beall Avenue has the Abatement process scheduled to start on 1/12/11.  
 4135 Towle Avenue has the Abatement process completed and is waiting for a Interim Clearance, after which it will begin the Rehabilitation process.  
 6750 Forestdale Avenue received Interim Clearance and is in the process of Rehabilitation.  
 1107 Morris Street received Interim Clearance on 12/23/10 and will be scheduled for Rehabilitation on or about 1/3/11.  
 7339 Howard Avenue is schedule to have the Abatement Process begin on 1/12/11.  
 7221 Missouri Avenue is in the process of Abatement and should obtain Interim Clearance by 1/7/11.  
 Adverse weather conditions have affected both exterior Lead Base Paint Abatement and exterior Rehabilitation. NSP staff is currently seeking guidance to perform the interior Abatement Process and the interior Rehabilitation Process within EPA and State Environmental guidelines in order to prevent any additional delays in completing the projects.

Properties currently owned:

- 3815 165th Street
- 6928 Magoun Avenue
- 6750 Forestdale Avenue
- 1242 177th Street
- 6334 Tennessee Avenue
- 7221 Missouri Avenue
- 6146 Ray Avenue
- 4135 Towle Avenue
- 933 170th Street
- 6351 Monroe Avenue
- 1107 Morris Street
- 4930 Ash Avenue
- 3918 Henry Avenue
- 2707 162nd Place
- 1321 Indiana Avenue
- 5624 Beall Avenue
- 7339 Howard Avenue
- 6631 Missouri
- 6823 Parrish Avenue
- 3018 Crane
- 824 Wilcox Avenue
- 1128 Mulberry Street

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/21

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/21

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/21	0/0	0/21	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

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**Grantee Activity Number:** NSP - 6.1

**Activity Title:** Administration

**Activity Category:**

Administration

**Project Number:**

NSP-6

**Projected Start Date:**

04/01/2009

**Benefit Type:**

N/A

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

ADMINISTRATION OF THE NSP PROGRAM

**Projected End Date:**

03/31/2014

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Hammond

**Overall**

**Oct 1 thru Dec 31, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$386,047.35
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$386,047.35
<b>Program Funds Drawdown</b>	\$92,342.81	\$234,852.87
<b>Program Funds Obligated</b>	\$0.00	\$386,047.35
<b>Program Funds Expended</b>	\$92,342.81	\$92,342.81
City of Hammond	\$92,342.81	\$92,342.81
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The City will pay for staff and other delivery costs to ensure the NSP program is run effectively and satisfies all federal requirements.

**Location Description:**

Not Applicable for Administration

**Activity Progress Narrative:**

Activity 6.1

Funds continue to be expended on NSP staff salaries and benefits. An additional staff member is to be assigned to Hammond NSP beginning 1/01/2011. The new staff member will be trained on DRGR which will be a duty assigned to her. Other duties will include, but not limited to, preparing and maintaining the City's voucher system for all invoice related to NSP properties, preparing and maintaining all NSP property files for activities post acquisition (Bid Awards, Abatement and Rehabilitation Contracts, Security Contracts, Environmental Assessments and Clearances, Prospective Buyers, &hellip). Other duties will include, with comprehensive on the job training, buyer intake, applications, documentation, and closings). Other Administrative services performed by contracted consultants also continue to be expended on a regular and timely basis.

**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

No Other Funding Sources Found

Total Other Funding Sources

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