

Grantee: Hammond, IN

Grant: B-08-MN-18-0006

July 1, 2009 thru September 30, 2009 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:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Plan Description:

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).

Recovery Needs:

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.

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

\$0.00

\$0.00

Obligated CDBG DR Funds

\$0.00

\$0.00

Expended CDBG DR Funds

\$0.00

\$0.00

Match Contributed

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Program Income Drawdown

\$0.00

\$0.00

Progress Toward Required Numeric Targets

| Requirement | Required | To Date |
|------------------------------------|--------------|---------|
| Minimum Overall Benefit Percentage | 99.99% | 0.00% |
| Minimum Non-Federal Match | \$0.00 | \$0.00 |
| Limit on Public Services | \$579,070.95 | \$0.00 |
| Limit on Admin/Planning | \$386,047.30 | \$0.00 |
| Limit on State Admin | \$0.00 | \$0.00 |

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

During 7/1/09 through 9/30/09, the City of Hammond has continued to proceed with the preliminary steps in setting the foundation for implementation of its NSP Plan. Among those steps were:

- a) RFPs were written, published, and bids accepted for 2 Contract Consultants. One consultant group, NSP Consultants LLC, has been contracted to provide services for the 75% funding allocation. An additional consultant group, CRworks, Inc. also had its proposal approved by the Hammond Redevelopment Commission. The contract for those services, relating to the households with incomes less than 50% of AMI is expected to be signed by 11/15/09.
- b) Third Party Vendors such as Title Companies (3) and Appraisal Firms (3) do not have contracts, but will be utilized on a rotating basis when needed.
- c) Approximately 40 eligible contractors, approved and licensed in the City of Hammond, have been identified. Contractors will be notified by mail and given sufficient time (15 days) to respond to bid conferences for work to properties purchased. A Bid Specification Technical Manual has been written to the Building Codes of Hammond and will be utilized to more efficiently and uniformly prepare Bid Specifications to prospective contractors. Staff has been proactive in seeking contractors that may qualify as Section 3 contractors.
- d) The Hammond Redevelopment Commission has approved the use of services to be provided by the National Community Stabilization Trust LLC to facilitate the purchase of foreclosed properties owned by national lenders. A contract is to be signed and forwarded to the NCST.
- e) A public event regarding Affordable Housing and NSP has been planned and scheduled for 11/4/09. The event will consist of 2 sessions: a morning session is intended for service providers such as lenders, realtors, title companies, and contractors; an evening session is intended for prospective home buyers, as well as existing home owners, community groups, and faith-based organizations in Hammond. The event will be free to those who attend, with the cost of the facility rental and refreshments paid for by a benefactor at no expense to the City of Hammond and without use of any federal funding. The event is to market the efforts of the City of Hammond in Affordable Housing and NSP. It is expected that an estimated 200 will attend each session. Speakers have been solicited and have committed for these sessions.
- f) Prospective properties continue to be identified through the monthly Lake County Sheriff's Sales Listings and continued communication with local lenders. Approximately 40 properties have been identified, inspected, with a Current Market Analysis completed on each. A written pipeline of in excess of 400 properties has been established to facilitate the replacement of a property as it is removed from the imminent acquisition list. The pipeline is updated on an as needed basis.
- g) The City of Hammond is currently awaiting approval of its Tier 1 Environmental Assessment request. The request was amended for the initial request in order to include the possibility of purchasing a property in a Flood Zone and/or one that is considered Historic or in a Historic area. Upon receipt of the EA approval, the City of Hammond is prepared to initiate offers to purchase an estimated 12 properties with the ordering of EA Tier 2 requests, appraisals,

and title reports for initial due diligence. HUD owned properties remain as a priority due to reporting made available to buyers. Reports available include current Inspection Reports and EA Reports. These reports will not be used except for assisting in the determining acquisition possibilities.

h) Signage (24 sign boards) for the purpose of marketing the properties has been designed, ordered, and received. Signs will be placed on each property upon City of Hammond ownership. Signage has been designed to the recommendations as proposed for projects funded by ARRA.

h) Staff has met with the Metropolitan Planning Council in an attempt to determine the need of MPC's services. MPC has expressed an interest to assist the City of Hammond in establishing an Employer Assisted Housing Initiative for businesses located in the City of Hammond. Careful consideration is being given to this proposal due to its possible impact on the marketing of NSP properties.

i) Staff continues to meet with other prospective partners to its NSP plan.

At this time each step completed is intended to meet the National Objectives as stated in the City of Hammond's Substantial Amendment, including both funding allocations (75% and 25%).

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 | \$300,000.00 | \$0.00 |
| NSP-2, ACQUISITION-REHABILITATION OF FORECLOSED | \$0.00 | \$1,499,999.52 | \$0.00 |
| NSP-3, Land Banking | \$0.00 | \$150,000.00 | \$0.00 |
| NSP-4, DEMOLITION OF BLIGHTED STRUCTURES | \$0.00 | \$80,000.00 | \$0.00 |
| NSP-5, REDEVELOPMENT OF DEMOLISHED, VACANT | \$0.00 | \$1,444,426.13 | \$0.00 |
| NSP-6, ADMINISTRATION OF THE NSP PROGRAM | \$0.00 | \$386,047.35 | \$0.00 |