

Grantee: Jackson, MS

Grant: B-08-MN-28-0001

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:

B-08-MN-28-0001

Obligation Date:**Grantee Name:**

Jackson, MS

Award Date:**Grant Amount:**

\$3,116,049.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Reviewed and Approved

Submitted By:

No Submitter Found

Disasters:

Declaration Number

NSP

Plan Description:

In a June 2008 study, the Mississippi Economic Policy Center reported home mortgage delinquencies in Mississippi were especially harmful. As of the third quarter of 2007, Mississippi had the highest percentage of loans past due at 10.6% and the eighth highest rate of foreclosures started at 0.92% in the country. The City of Jackson has experienced a particularly high number of foreclosures due to the actions of investors who have purchased properties in aging neighborhoods and withdrew the equity out of the properties through subprime loans before abandonment. The analysis used to determine our areas of greatest need took into consideration a range demographic data based on census tracts, block groups, and zip codes. Foreclosure data from The Mississippi Economic Policy Center, Home Mortgage Disclosure Act Data, the United States Department of Housing and Urban Development, www.foeclosure.com, www.realtytrac.com, www.demographicsnow.com, www.neighborhoodscout.com and the U.S. Census Bureau was analyzed to identify the areas of greatest need. The 2000 U.S. Census reports that the City of Jackson has over 7,500 vacant housing units that are in severe stages of disrepair and most are located in the high-risk census tract areas according to the 2000 census data. In order to reverse this decline, the City's housing stock will need a major infusion of capital for foreclosed and abandoned properties. The City of Jackson has identified over 356 homes that were fully foreclosed and taken back by lenders between January 2007 and October 2008. These foreclosures have been concentrated in several neighborhoods where there are multiple foreclosed homes on nearly every block. Many foreclosed properties are now becoming targets of vandalism and theft, including the removal of copper piping, appliances, cabinets and other items. If left unchecked, these properties will become magnets for crime, causing further decline in property values that could accelerate the foreclosure problem in a downward spiral. While some foreclosed properties are reselling relatively quickly, in neighborhoods that were already dealing with problems of crime and relatively weaker housing markets foreclosed homes are not moving as quickly. These neighborhoods are thus plagued by a combination of high rates of subprime lending, high foreclosure rates, and high risk of abandonment as homes remain vacant and unsold for many months.

Recovery Needs:

Our approach to stabilizing at risk neighborhoods will involve fostering market recovery as part of our overall strategy. Dependent on the level of destabilization within neighborhoods selected for NSP intervention our strategy for market recovery will be designed to accomplish three primary objectives:

- Increased demand for housing in selected areas (as renters or homeowners),
- Increase the number of people buying homes, or leasing homes with the intent to purchase, and
- Stabilizing or increasing the value of the homes in the targeted NSP areas.

The City of Jackson recognizes that property acquisition is a complex process. In order for acquisition to be carried out successfully, we will organize ourselves to make informed decision about which properties to acquire, parameters for negotiated sales prices will be established, and a determination will be made regarding which legal tools will be used to insure that we have good and marketable title on every acquired property. A system of checks and balances will be established to insure that each property

acquired through the NSP will be open for public review and meets all local, state, federal property acquisition and regulatory requirements. Every effort will be made to ensure that public funds are used responsibly.

The City of Jackson is particularly sensitive to the large amount of vacant and abandoned properties in its neighborhoods. Congress also recognized this when it authorized NSP funds to be used not only for foreclosed properties but also for other abandoned properties. Since Jacksons has a large number of abandoned property in close proximity to the location of foreclosed homes, linking the acquisition of both property types to a neighborhood stabilization initiative provides an opportunity to address both problems at the same time.

The City of Jackson property acquisition strategy is based on targeting concentrations of foreclosed properties. Our acquisition strategy involves carefully selecting neighborhoods where the NSP intervention is most likely to stimulate market recovery and stimulate other public/private reinvestment activity. While we recognize there is no one size fits all acquisition strategy, targeted project areas will have more market recovery impact than scatter acquisition activity. At least three distinct approaches are reflective of how our overall property acquisition strategy will be implemented:

Focusing on neighborhoods that are close to market recovery, and move the recovery forward by buying and restoring a small number of properties, where costs or other factors make it impossible for the private sector to become engaged. This approach will likely result in resale to owner occupants up to 120% of AMI.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,116,049.00
Total CDBG Program Funds Budgeted	N/A	\$3,116,049.00
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	\$467,407.35	\$0.00
Limit on Admin/Planning	\$311,604.90	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

During this quarter, the City of Jackson has completed the following tasks:

- Completed negotiations with Voice of Calvary Ministries and Habitat for Humanity/Metro Jacksons and signed

and executed contracts with each of the Non-profit developers.

- Completed 6 environmental reviews on potential properties for acquisition for Habitat for Humanity/Metro Jackson. The following are the addresses of each property: 925 Winn Street, Jackson, MS 39204; 930 Winn Street, Jackson, MS 39204; 960 Winn Street, Jackson, MS 39204; 997 Winn Street, Jackson, MS 39204; 921 Dorgan Street, Jackson, MS 39204; 927 Dorgan Street, Jackson, MS 39204.
- Completed NSP Manual to ensure compliance with all HUD regulations and guidelines.
- Provided City of Jackson's NSP information to Mississippi Home Corporation for an advertising insert that was published in The Clarion Ledger. The insert will provide Jackson's residents with valuable information on NSP services that will be offered throughout the City of Jackson.

Project Summary

Project #, Project Title	This Report Period		To Date	
	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$0.00	\$0.00	\$3,116,049.10	\$0.00

Activities

Grantee Activity Number: 1

Activity Title: Acquisition of Foreclosed properties

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/08/2009

Projected End Date:

08/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Voice of Calvary Ministries

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$800,000.00
Total CDBG Program Funds Budgeted	N/A	\$800,000.00
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

Activity Description:

In accordance with Section 2301 (d) of Housing and Economic Recovery Act (HERA), Voice of Calvary Ministries will acquire 20 foreclosed-upon or abandoned properties that have been vacant for at least 90 days. The purchase will be at a discount of at least 1% from the current market-appraised value of the home. A minimum discount of 5% will be required on the purchase of two or more properties based upon carrying cost included but not limited to taxes, insurance, maintenance, marketing, overhead, and interest. Affordability shall meet or exceed the HOME regulation requirements and will be included in the Non-profit developer's agreement.

Location Description:

The target neighborhood areas are in South Jackson (specifically the Alta Woods Subdivision) and North Jackson (specifically the Broadmoor Subdivision), Farish Street Historic District, West Jackson, and the Midtown Area.

Activity Progress Narrative:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/20
# of housing units	0	0	0	0/0	0/0	0/20
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/0	0/20	0/20
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/20
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

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: 2

Activity Title: Rehabilitation and Sale of Foreclosed Properties

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Planned

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/08/2009

Projected End Date:

12/31/2013

National Objective:

NSP Only - LMMI

Responsible Organization:

Voice of Calvary Ministries

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$1,225,431.85
Total CDBG Program Funds Budgeted	N/A	\$1,225,431.85
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

Activity Description:

Rehabilitation of 20 foreclosed upon residential properties in order to sell to individuals and families whose incomes do not exceed 120% of area median income. Rehabilitation of the residential property shall be to the extent necessary to comply with the standards as defined in the City of Jackson Contractors Performance Standards Manual. The discount received from the acquisition, regardless of the amount, will be passed on to the purchaser of the property and reflected in their purchase price and/or mortgage amount. Mortgages will be financed at 0% - 7% interest rate. The grantee will ensure that the homebuyer obtains a mortgage loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages. The term of the mortgage will be at least 15 years and not more than 30 years. All potential homebuyers will be required to complete 8 hours of homebuyer counseling from a selected HUD-approved certified counseling agency before obtaining a mortgage loan. Affordability determinations or standards shall meet or exceed the HOME regulation requirements and will be included in all subrecipient agreements.

Location Description:

The target neighborhood areas are in South Jackson (specifically the Alta Woods Subdivision) and North Jackson, Farish Street Historic District, West Jackson, and the Midtown area.

Activity Progress Narrative:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/20
# of housing units	0	0	0	0/0	0/0	0/20
# of Households benefitting	0	0	0	0/0	0/20	0/20

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:	3
Activity Title:	Acquisition

Activity Category:

Acquisition - general

Activity Status:

Planned

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/08/2009

Projected End Date:

12/31/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Habitat for Humanity Metro Jackson

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$160,000.00
Total CDBG Program Funds Budgeted	N/A	\$160,000.00
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

Activity Description:

In accordance with Section 2301 (d) of Housing and Economic Recovery Act (HERA), Habitat for Humanity/Metro Jackson will acquire foreclosed-upon or abandoned properties that have been vacant for at least 90 days. The purchase will be at a discount of at least 1% from the current market-appraised value of the home. A minimum discount of 5% will be required on the purchase of two or more properties based upon carrying cost included but not limited to taxes, insurance, maintenance, marketing, overhead, and interest. Affordability shall meet or exceed the HOME regulation requirements and will be included in the Non-profit developer's agreement.

Location Description:

The target neighborhood area for this activity is South Jackson/Alta Woods subdivision, North Jackson, Farish Street Historic District, West Jackson, and the Midtown area.

Activity Progress Narrative:

Performance Measures

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

# of Properties	0	0	0	0/0	0/0	0/10
# of housing units	0	0	0	0/0	0/0	0/10
# of buildings (non-residential)	0	0	0	0/0	0/0	0/0
# of Households benefitting	0	0	0	0/10	0/0	0/10
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0
# of Parcels acquired by	0	0	0	0/0	0/0	0/0
# of Parcels acquired by admin	0	0	0	0/0	0/0	0/0
# of Parcels acquired voluntarily	0	0	0	0/0	0/0	0/10
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

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: 4

Activity Title: New Construction

Activity Category:

Construction of new replacement housing

Activity Status:

Planned

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/08/2009

Projected End Date:

12/31/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Habitat for Humanity Metro Jackson

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$310,875.75
Total CDBG Program Funds Budgeted	N/A	\$310,875.75
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

Activity Description:

The construction of 5 new single family residential properties on lots that foreclosed-upon and abandoned properties were purchased and demolished. These properties will be sold to individuals and families whose incomes do not exceed 50 percent area median income. Mortgages will be financed at 0% -7% interest rate. All potential homebuyers will be required to complete 8 hours of homebuyer counseling from a selected HUD-approved certified counseling agency before obtaining a mortgage loan. Affordability shall meet or exceed HOME regulation requirements. The subrecipient must ensure that the homebuyer obtains a mortgage loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages.

Location Description:

The target neighborhood area for this activity is South Jackson/Alta Woods subdivision, North Jackson, Farish Street Historic District, West Jackson, and the Midtown area.

Activity Progress Narrative:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	0/5
# of Households benefitting	0	0	0	0/5	0/0	0/5

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:	5
Activity Title:	Rehabilitation of Foreclosed-upon properties

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Planned

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

06/08/2009

Projected End Date:

12/31/2013

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

Habitat for Humanity Metro Jackson

Overall

Jul 1 thru Sep 30, 2009

To Date

Total Projected Budget from All Sources	N/A	\$308,136.50
Total CDBG Program Funds Budgeted	N/A	\$308,136.50
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

Activity Description:

The rehabilitation of 5 foreclosed-upon and abandoned properties. These properties will be sold to individuals and families whose incomes do not exceed 50 percent area median income. Mortgages will be financed at 0% -7% interest rate. All potential homebuyers will be required to complete 8 hours of homebuyer counseling from a selected HUD-approved certified counseling agency before obtaining a mortgage loan. Affordability shall meet or exceed HOME regulation requirements. The subrecipient must ensure that the homebuyer obtains a mortgage loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages.

Location Description:

The target neighborhood area for this activity is South Jackson/Alta Woods subdivision, North Jackson, Farish Street Historic District, West Jackson, and the Midtown area.

Activity Progress Narrative:

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/5
# of housing units	0	0	0	0/0	0/0	0/5
# of Households benefitting	0	0	0	0/5	0/0	0/5

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:	6
Activity Title:	Administration

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

BCKT

Project Title:

Bucket Project

Projected Start Date:

01/01/2009

Projected End Date:

12/31/2013

National Objective:

N/A

Responsible Organization:

City of Jackson

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	\$311,604.90
Total CDBG Program Funds Budgeted	N/A	\$311,604.90
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

Activity Description:

Costs of overall program management, coordination, monitoring, and evaluation.

Location Description:

Administratiopn of NSP activities will be within those census tracts and block groups of greatest need identified by HUD's foreclosure and abandonment risk score matrix targeting risk scores of 7 through 10.

Activity Progress Narrative:

Performance Measures

No 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	

