

Jul 1, 2011 thru Sep 30, 2011 Performance Report

Grant Number: B-11-DN-55-0001	Obligation Date:
Grantee Name: State of Wisconsin	Award Date:
Grant Amount: \$5,000,000.00	Contract End Date: 03/03/2014
Grant Status: Active	Reviewed By HUD: Submitted - Await for Review
QPR Contact: No QPR Contact Found	

Disasters: Declaration Number

NSP

Summary of Distribution and Uses of NSP Funds:

In order to comply with the Dodd-Frank Act's stated objectives, the State of Wisconsin Department of Commerce established eligibility criteria for a sub-grantees' eligibility to apply for NSP 3 funds with the NSP 3 Pre-Applications which were received November 29, 2010. The eligibility criteria for this NSP 3 Pre-Application included:

- (A) Being a current Wisconsin Department of Commerce NSP 1 sub-grantee in order to allow rapid deployment of funds by experienced and knowledgeable high-capacity sub-grantees who have shown the ability to successfully comply with NSP 1 regulations and guidance.
 - (B) Having demonstrated satisfactory performance on NSP 1 of obligation of their funds per quarter as specified in their contracts. NSP 3 requires 50% of grant funds to be expended within 24 months of the contract between HUD and the State; proven capacity and this ability to structure their activities to meet this deadline are essential.
 - (C) Signing up for FHA "First Look" program to allow first access to FHA foreclosures, and to take advantage of the discount provided to NSP sub-grantees on these properties.
 - (D) Applying for one (or maximum of two) census tracts in order to distributed funds within the state to highest risk census neighborhoods:
 - That score of 13 or higher on HUD's NSP 3 foreclosure need scores (from HUD Foreclosure Need Web site as linked to from <http://www.hud.gov/nsp>) that are either the same as the sub-grantee's original NSP 1 census tracts or adjacent to one. If the sub-grantee proposes a census tract adjacent to an original NSP 1 census tract in their contract, the sub-grantee must have obligated NSP 1 funds in that original census tract.
 - Must request sufficient funds to address at least minimum the number of units stipulated by HUD datasets (or five units, whichever is greater) to create a robust and durable impact in the census tract.
 - Must be able to obligate a minimum of \$750,000 (up to a maximum of \$1,250,000) per census tract on eligible NSP3 housing activities. The minimum was established to assure sufficient funds to create the impact, and the maximum to allow as wide a distribution of the NSP 3 funds as feasible.
- NSP 3 Pre-Applications will be reviewed to determine the percent of total grant funds requested per activity and review market justification for these activities based on the HUD demographic data. The State will have discussions with sub-grantees in January, 2011 to finalize the proposed activities. Final Applications were due into the State in February, 2011. If more funds are requested on the Final Applications than is available, the applications were ranked and grant amounts determined by criteria, including:
- Percent of households served < 50% CMI
 - High needs risk score
 - Affordable rental housing emphasis
 - Exceeding Section 3 recruitment and hiring requirements
 - Serving high needs populations: homeless, physical or mental disability, etc.
 - Incorporation of green/energy efficient elements, access to transit, deconstruction, passive solar design features, etc.
 - Percent of total NSP 3 funds requested being leveraged by other sources
 - Cost per unit
 - Exceeding minimum period of affordability requirements

How Fund Use Addresses Market Conditions:

Ensuring Continued Affordability:

Homeownership housing affordability will utilize the HOME standard at 92.254, including:

¿« The housing must be single-family housing.

¿« The housing must be modest housing:

The purchase price/after rehabilitation value cannot exceed 95% of the median purchase price for the area as contained in the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (which may be obtained from the HUD Field Office);

¿« Under the Dodd-Frank Act, housing must serve a household with incomes <120% of area median income.

¿« The housing must be the principal residence of the family throughout the affordability period.

¿« Periods of affordability:

Homeownership Activity Minimum Period of Affordability

Rehab or acquisition of existing housing per unit assistance: Years

<\$15,000 = 5 Years

\$15,000 - \$40,000 = 10 Years

>\$40,000 or rehab involving financing = 15 Years
New Construction or acquisition of newly constructed housing = 20 Years

↳ Recapture requirements must be imposed to ensure affordability. The recapture provisions will ensure that all or a portion of the NSP3 assistance to homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, is returned to assist additional eligible households. The specific structure of recapture provisions will be based on sub-grantee program design and market conditions. All recapture provisions will be based upon net proceeds available at sale. Acceptable recapture options include: (a) recapture of the entire amount of assistance from the homeowner; (b) reduction of the amount during affordability period based on length of time the property has been owned and occupied by the homeowner; (c) shared net proceeds.

Definition of Blighted Structure:

Wisconsin will use the definition of blighted property contained in Wisconsin Statutes, Chapter 66 General Municipality Law, [s. 66.1333 (1) (2m) (bm), Wis. Stats.] as it applies to residential properties. That definition states, in part: "any property within a city...which by reason of dilapidation, deterioration, age or obsolescence, inadequate provisions for ventilation, light, air or sanitation, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease,...retards the provisions of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use...."

Definition of Affordable Rents:

Wisconsin will use the HOME standards at 24 CFR 92.252(a), (c), (e), and (f) to define affordable rents, including:
↳ The maximum rent will be the lesser of: (a) the fair market rent for existing housing for comparable units in the area as established by HUD; or (b) a rent that does not exceed 30% of the adjusted income of a family whose annual income equals 65% of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit.

↳ The maximum monthly allowances for utilities and services will be those used by the local housing authority.

↳ Units assisted with NSP3 funding must meet the affordability requirements for not less than the applicable period specified without regard to the term of any loan or mortgage or the transfer of ownership. The affordability requirements will be imposed by use of a deed restriction on the assisted property:

Rental Housing Activity Minimum Period of Affordability
Rehab or acquisition of existing housing per unit assistance: Years
<\$15,000 = 5 Years
\$15,000 - \$40,000 = 10 Years
>\$40,000 or rehab involving financing = 15 Years
New Construction or acquisition of newly constructed housing = 20 Years

↳ Subsequent rents during the affordability period: Rents are recalculated by HUD periodically and distributed. The rents for a project are not required to be lower than the rent limits for the project in effect at the time of project commitment.

Project owners will be provided with information on updated rent limits so rents may be adjusted in accordance with the written agreement between the agency and the owner. Owners must annually provide information on rents and occupancy of the assisted units to demonstrate compliance.

Any increase in rents for assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

Housing Rehabilitation/New Construction Standards:

The State's HOME Program Rehab Standards will apply to NSP3-assisted existing housing activities. These Rehab Standards require that properties meet all applicable local and state codes and laws and that the properties be decent and safe. The Rehab Standards currently require the use of Energy Star rated components in rehabilitation projects.

All new construction will adhere to the Wisconsin Uniform Dwelling Code, which incorporates the Model Energy Standard. Developers of new housing are encouraged to incorporate green building and energy efficiency into their projects. Commerce may also partner with Focus on Energy to provide incentives for installing energy efficiency improvements to units.

Vicinity Hiring:

The State of Wisconsin NSP3 sub-grantee applications were ranked and awarded funds based on an emphasis, to the maximum extent feasible, that sub-grantees provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

Procedures for Preferences for Affordable Rental Dev.:

The State of Wisconsin NSP3 sub-grantee applications were ranked and awarded funds based on an emphasis for the development of affordable rental housing for properties assisted with NSP3 funds.

Grantee Contact Information:

Kate Blood

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 Division of Housing & Community Development
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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	4,874,833
Total CDBG Program Funds Budgeted	N/A	4,874,833
Program Funds Drawdown	226,902.41	226,902.41
Program Funds Obligated	239,095	550,041
Program Funds Expended	198,720	358,720
Match Contributed	0	0
Program Income Received	66,000	66,000
Program Income Drawdown	0	0

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	750,000	0
Limit on Admin/Planning	500,000	12,652.41
Limit on State Admin	0	12,652.41

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	500,000	465,116

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	1,250,000	1,731,016

Overall Progress Narrative:

Grantees have been running into problems getting started due to municipal approval processes.

As of 9/30/11, \$425,041 of NSP3 funds have been obligated, and almost \$390,000 (7.8%) has been expended. The activities have all been for Prairie du Chien Downtown Revitalization, Inc. for B1 activities. Of the other three grantees, Racine, Rock County Consortium and Milwaukee Consortium, Racine and Rock did not meet their quarter's expenditure projections (Milwaukee's first expenditures were projected for this coming quarter ending 12/31/11).

Racine and Rock Co. have been contacted and plans outlined for them to be able to perform on both last quarter's expenditures as well as this quarter. It is expected that they will be obligating and expending their 9/30/11 commitment by November 1, 2011, and will fulfill their 12/31/11 quarterly goals on time.

Project Summary

Project#, Project Title	This Report Period		To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown	Project Funds Budgeted
9999, Restricted Balance	0	0	0	0
NSPADM03, NSP Admin	12,652.41	465,116	12,652.41	465,116
NSPBARRR03, NSP Eligible Use B Acquisition Rehab and Resale and Rental	214,250	4,039,884	214,250	4,039,884
NSPCLB03, NSP Eligible Use C Landbanking	0	180,000	0	180,000
NSPDDB03, NSP Eligible Use D Demolition of Blighted Structures	0	60,000	0	60,000
NSPERD03, NSP Eligible Use E Redevelopment	0	255,000	0	255,000

Project/Activity Index:

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	No activities in this project	
NSPBARRR03	NSP Eligible Use B Acquisition Rehab and Resale and Rental	NSP3 B1_001 PRAIRIE DU CHIEN	PRAIRIE DU CHIEN HBR 25%

		NSP3 B1_002 PRAIRIE DU CHIEN	PRAIRIE DU CHIEN_HBR
NSPADM03	NSP Admin	NSP3 ADM_001	NSP Admin
		NSP3 ADM_002 PRAIRIE DU CHIEN	NSP Admin
NSPERD03	NSP Eligible Use E Redevelopment	<i>No activities in this project</i>	
NSPCLB03	NSP Eligible Use C Landbanking	<i>No activities in this project</i>	
NSPDDB03	NSP Eligible Use D Demolition of Blighted Structures	<i>No activities in this project</i>	

Activities

Grantee Activity Number: NSP3 ADM 001	Activity Title: NSP Admin
Activity Category: Administration	Activity Status: Under Way
Project Number: NSPADM03	Project Title: NSP Admin
Projected Start Date: 04/01/2011	Projected End Date: 03/08/2014
National Objective: N/A	Completed Activity Actual End Date:
Responsible Organization: Commerce	
Benefit Type: N/A	

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	125,000
Total CDBG Program Funds Budgeted	N/A	125,000
Program Funds Drawdown	3,029.41	3,029.41
Program Funds Obligated	125,000	125,000
Program Funds Expended	0	0
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Activity Description:

NSP Commerce Admin

Location Description:

Statewide

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:
NSP3 ADM 002 PRAIRIE DU CHIEN

Activity Title:
NSP Admin

Activity Category:
Administration

Activity Status:
Under Way

Project Number:
NSPADM03

Project Title:
NSP Admin

Projected Start Date:
04/01/2011

Projected End Date:
03/08/2014

National Objective:
N/A

Completed Activity Actual End Date:

Responsible Organization:
PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.

Benefit Type:
N/A

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	52,326
Total CDBG Program Funds Budgeted	N/A	52,326
Program Funds Drawdown	9,623	9,623
Program Funds Obligated	0	52,326
Program Funds Expended	9,833	9,833
PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.	9,833	9,833
Match Contributed	0	0
Program Income Received	0	0
Program Income Drawdown	0	0

Activity Description:

NSP Admin

Location Description:

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:
NSP3 B1 001 PRAIRIE DU CHIEN

Activity Title:
PRAIRIE DU CHIEN HBR 25%

Activity Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number: NSPBARRR03	Project Title: NSP Eligible Use B Acquisition Rehab and Resale and Rental
Projected Start Date: 04/01/2011	Projected End Date: 03/08/2014
National Objective: NSP Only - LH - 25% Set-Aside	Completed Activity Actual End Date:
Responsible Organization: PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.	
Benefit Type: Direct Benefit (Households)	

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	208,887
Total CDBG Program Funds Budgeted	N/A	208,887
Program Funds Drawdown	84,250	84,250
Program Funds Obligated	0	164,250
Program Funds Expended	64,263	144,263
PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.	64,263	144,263
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
# ELI Households (0-30% AMI)	0	0/0

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	0	0/3
# of Singlefamily Units	0	0/3

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/3	0/0	0/3	0
# Owner Households	0	0	0	0/3	0/0	0/3	0

Activity Description:

Acquisition Rehab & Resale to households <50% CMI

Location Description:

City of Prairie du Chien

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:
NSP3 B1 002 PRAIRIE DU CHIEN

Activity Title:
PRAIRIE DU CHIEN HBR

Activity Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
NSPBARRR03

Project Title:
NSP Eligible Use B Acquisition Rehab and Resale and Rental

Projected Start Date:
04/01/2011

Projected End Date:
03/08/2014

National Objective:
NSP Only - LMMI

Completed Activity Actual End Date:

Responsible Organization:
PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.

Benefit Type:
Direct Benefit (Households)

	Jul 1 thru Sep 30, 2011	To Date
Total Projected Budget from All Sources	N/A	258,620
Total CDBG Program Funds Budgeted	N/A	258,620
Program Funds Drawdown	130,000	130,000
Program Funds Obligated	114,095	208,465
Program Funds Expended	124,624	204,624
PRAIRIE DU CHIEN DOWNTOWN REVITALIZATION, INC.	124,624	204,624
Match Contributed	0	0
Program Income Received	66,000	66,000
Program Income Drawdown	0	0

Accomplishments Performance Measures

	This Report Period Total	Cumulative Actual Total / Expected Total
# of Housing Units	1	1/2
# of Singlefamily Units	1	1/2

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	1	1	0/0	1/1	1/2	100
# Owner Households	0	1	1	0/0	1/1	1/2	100

Cumulative Race Total

Direct Benefit (Households)	This Report Period			Cumulative Actual Total		
	Owner	Renter	Total Households	Owner	Renter	Total Households
White	1	0	1	0	0	0
Households Female	0	0	0	0	0	0

Activity Description:

Acquisition Rehab & Resale to households >50% CMI

Location Description:

City of Prairie du Chien

Activity Progress Narrative:

Activity Location:

Address	City	State	Zip
	Prairie du Chien	NA	

Other Funding Sources Budgeted - Detail

Match Sources	Amount
No Other Match Funding Sources Found	

Other Funding Sources	Amount
No Other Funding Sources Found	