

Grantee: Wisconsin

Grant: B-11-DN-55-0001

April 1, 2014 thru June 30, 2014 Performance Report



Grant Number:

B-11-DN-55-0001

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

Wisconsin

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

Submitted - Await for Review

LOCCS Authorized Amount:

\$5,000,000.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

Estimated PI/RL Funds:

\$700,000.00

Total Budget:

\$5,700,000.00

Disasters:

Declaration Number

NSP

Narratives

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:

>ι « The housing must be single-family housing.

>ι « 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);

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

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

>ι « 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

ι « 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, and 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:

>ι « 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.

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

ι « 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

>ι « 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:

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 >Division of Housing & Community Development
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 >P.O. Box 7970
 >Madison, WI 53707-7970
 >Telephone: (608) 264-7838
 >FAX: (608) 266-5381
 >Email: kate.blood@wi.gov

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,597,636.30
Total Budget	\$154,814.00	\$5,597,636.30
Total Obligated	\$154,814.00	\$5,597,636.30
Total Funds Drawdown	\$51,501.63	\$5,261,170.24
Program Funds Drawdown	\$42,863.45	\$4,743,898.67
Program Income Drawdown	\$8,638.18	\$517,271.57
Program Income Received	\$247.46	\$517,271.57
Total Funds Expended	\$58,902.18	\$5,154,259.51
Match Contributed	\$0.00	\$401,952.39

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	\$401,952.39
Limit on Public Services	\$750,000.00	\$0.00
Limit on Admin/Planning	\$500,000.00	\$310,857.63
Limit on State Admin	\$0.00	\$310,857.63

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$500,000.00	\$459,891.28

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,250,000.00	\$2,406,530.14

Overall Progress Narrative:



As of the end of the quarter NSP3 subrecipients have expended approximately \$5.3 million (105.2%) of the initial \$5 million allocation, including over \$500,000 in program income earned. The 100% expenditure requirement was met and exceeded prior to the March 2014 due date. Overall, 32.3% of the activities originally committed have been completed. All grantees have been monitored at least once, and we are in the process of conducting second round monitoring visits. To-date all are performing in accordance with program guidelines.

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
NSPADM03, NSP Admin	\$3,313.45	\$459,891.28	\$285,241.35
NSPBARRR03, NSP Eligible Use B Acquisition Rehab and Resale	\$39,550.00	\$4,485,521.04	\$3,998,996.90
NSPCLB03, NSP Eligible Use C Landbanking	\$0.00	\$46,582.00	\$40,853.00
NSPDDB03, NSP Eligible Use D Demolition of Blighted Structures	\$0.00	\$59,050.92	\$59,050.92
NSPERD03, NSP Eligible Use E Redevelopment	\$0.00	\$558,808.55	\$359,756.50



Activities

Project # / Title: NSPADM03 / NSP Admin

Grantee Activity Number: NSP3 ADM 001

Activity Title: NSP Admin

Activity Category:

Administration

Project Number:

NSPADM03

Projected Start Date:

04/01/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

NSP Admin

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

Department of Administration (formerly Commerce)

Overall

Total Projected Budget from All Sources

Apr 1 thru Jun 30, 2014

N/A

To Date

\$125,000.00

Total Budget

\$0.00

\$125,000.00

Total Obligated

\$0.00

\$125,000.00

Total Funds Drawdown

\$3,313.45

\$100,910.31

Program Funds Drawdown

\$3,313.45

\$100,910.31

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$0.00

\$95,088.28

Match Contributed

\$0.00

\$0.00

Activity Description:

NSP Commerce Admin

Location Description:

Statewide

Activity Progress Narrative:



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



Grantee Activity Number: NSP3 ADM 002 RACINE

Activity Title: NSP Admin

Activity Category:

Administration

Project Number:

NSPADM03

Projected Start Date:

04/01/2011

Benefit Type:

N/A

National Objective:

N/A

Program Income Account:

NSP RACINE PI

Activity Status:

Under Way

Project Title:

NSP Admin

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

CITY OF RACINE

Overall

Total Projected Budget from All Sources

Apr 1 thru Jun 30, 2014

N/A

To Date

\$92,494.00

Total Budget

\$0.00

\$92,494.00

Total Obligated

\$0.00

\$92,494.00

Total Funds Drawdown

\$0.00

\$36,574.00

Program Funds Drawdown

\$0.00

\$36,574.00

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$14,221.00

\$50,795.00

CITY OF RACINE

\$14,221.00

\$50,795.00

Match Contributed

\$0.00

\$0.00

Activity Description:

NSP Admin

Location Description:

Activity Progress Narrative:

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

Project # / Title: NSPBARRR03 / NSP Eligible Use B Acquisition Rehab and

Grantee Activity Number: NSP3 B1 001 RACINE

Activity Title: RACINE HBR 25%

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSPBARRR03

Projected Start Date:

04/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Program Income Account:

NSP RACINE PI

Activity Status:

Under Way

Project Title:

NSP Eligible Use B Acquisition Rehab and Resale and

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

CITY OF RACINE

Overall

Total Projected Budget from All Sources

Apr 1 thru Jun 30, 2014

To Date

N/A

\$274,168.88

Total Budget

\$160,268.88

\$274,168.88

Total Obligated

\$160,268.88

\$274,168.88

Total Funds Drawdown

\$39,550.00

\$273,583.00

Program Funds Drawdown

\$39,550.00

\$266,383.00

Program Income Drawdown

\$0.00

\$7,200.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$42,565.00

\$135,769.00

CITY OF RACINE

\$42,565.00

\$135,769.00



Match Contributed

\$0.00

\$0.00

Activity Description:

Acquisition Rehab & Resale to households <50% CMI

Location Description:

City of Racine

Activity Progress Narrative:

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	1	1/1
# of Singlefamily Units	1	1/1

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	1	0	1	1/1	0/0	1/1	100.00
# Owner Households	1	0	1	1/1	0/0	1/1	100.00

Activity Locations

Address	City	County	State	Zip	Status / Accept
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Address Support Information

Racine, Wisconsin 53403

Property Status: Completed	Affordability Start Date: 01/10/2014	Affordability End Date: 01/09/2019
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Description of Affordability Strategy:

5 year recapture second mortgage.

Activity Type for End Use: Rehabilitation/reconstruction of residential structures	Projected Disposition Date:	Actual Disposition Date: 01/10/2014
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National Objective for End Use: NSP Only - LH - 25% Set-Aside	Date National Objective is met: 01/10/2014	Deadline Date:
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Description of End Use:

Acquisition, rehab and resale of foreclosed property to very low income household. Funds were a mix of contract and program income dollars.



Property Status:	Affordability Start Date:	Affordability End Date:
Completed	02/14/2014	02/13/2019

Description of Affordability Strategy:

Recapture mortgage.

Activity Type for End Use:	Projected Disposition Date:	Actual Disposition Date:
Rehabilitation/reconstruction of residential structures		02/14/2014

National Objective for End Use:	Date National Objective is met:	Deadline Date:
NSP Only - LH - 25% Set-Aside	02/14/2014	

Description of End Use:

Acquisition, rehab and resale of foreclosed property to very low income household. Expenditures were a mix of contract and program income dollars.

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: NSP3 B1 002 RACINE

Activity Title: RACINE HBR

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSPBARRR03

Projected Start Date:

04/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Program Income Account:

NSP RACINE PI

Activity Status:

Under Way

Project Title:

NSP Eligible Use B Acquisition Rehab and Resale and

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

CITY OF RACINE

Overall

Total Projected Budget from All Sources

Apr 1 thru Jun 30, 2014

N/A

To Date

\$523,419.13

Total Budget

\$3,899.72

\$523,419.13

Total Obligated

\$3,899.72

\$523,419.13

Total Funds Drawdown

\$7,832.72

\$360,608.13

Program Funds Drawdown

\$0.00

\$321,661.00

Program Income Drawdown

\$7,832.72

\$38,947.13

Program Income Received

\$0.00

\$79,919.71

Total Funds Expended

\$1,470.72

\$548,980.13

CITY OF RACINE

\$1,470.72

\$548,980.13

Match Contributed

\$0.00

\$0.00

Activity Description:

Acquisition Rehab & Resale to households >50% CMI

Location Description:

City of Racine

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/5
# of Singlefamily Units	0	0/5



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	0/1	0/5	0
# Owner Households	0	0	0	0/0	0/1	0/5	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: NSP3 B2 001 MILWAUKEE WELLS

Activity Title: MILWAUKEE MF 25% WELLS

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSPBARRR03

Projected Start Date:

04/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Program Income Account:

NSP MILWAUKEE PI

Activity Status:

Under Way

Project Title:

NSP Eligible Use B Acquisition Rehab and Resale and

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

MILWAUKEE CO CONSORTIUM

Overall

	Apr 1 thru Jun 30, 2014	To Date
Total Projected Budget from All Sources	N/A	\$683,500.00
Total Budget	(\$10,000.00)	\$683,500.00
Total Obligated	(\$10,000.00)	\$683,500.00
Total Funds Drawdown	\$0.00	\$683,500.00
Program Funds Drawdown	\$0.00	\$683,500.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$683,500.00
Match Contributed	\$0.00	\$0.00

Activity Description:

Acquisition Rehab & Rental to households <50% CMI

Location Description:

14-unit multi-family property at 2632 W. Wells St., Milwaukee, WI

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1
# ELI Households (0-30% AMI)	0	0/0



	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/14
# of Multifamily Units	0	0/14

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/14	0/0	0/14	0
# Renter Households	0	0	0	0/14	0/0	0/14	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: NSP3 B2 001 RACINE

Activity Title: RACINE RENTAL 25%

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NSPBARRR03

Projected Start Date:

04/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Program Income Account:

NSP RACINE PI

Activity Status:

Under Way

Project Title:

NSP Eligible Use B Acquisition Rehab and Resale and

Projected End Date:

03/08/2014

Completed Activity Actual End Date:

Responsible Organization:

CITY OF RACINE

Overall

	Apr 1 thru Jun 30, 2014	To Date
Total Projected Budget from All Sources	N/A	\$318,035.26
Total Budget	\$645.40	\$318,035.26
Total Obligated	\$645.40	\$318,035.26
Total Funds Drawdown	\$805.46	\$317,637.32
Program Funds Drawdown	\$0.00	\$278,442.00
Program Income Drawdown	\$805.46	\$39,195.32
Program Income Received	\$247.46	\$44,029.57
Total Funds Expended	\$645.46	\$267,611.32
CITY OF RACINE	\$645.46	\$267,611.32
Match Contributed	\$0.00	\$0.00

Activity Description:

Acquisition Rehab & Rental to households <50% CMI

Location Description:

City of Racine

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# ELI Households (0-30% AMI)	0	2/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total



# of Housing Units	0	2/4
# of Singlefamily Units	0	2/4

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	2/4	0/0	2/4	100.00
# Renter Households	0	0	0	2/4	0/0	2/4	100.00

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	

Monitoring, Audit, and Technical Assistance

Event Type	This Report Period	To Date
Monitoring, Audits, and Technical Assistance	0	18
Monitoring Visits	0	9
Audit Visits	0	0
Technical Assistance Visits	0	17
Monitoring/Technical Assistance Visits	0	49
Report/Letter Issued	0	5

