Grantee: Minneapolis, MN

Grant: B-08-MN-27-0001

July 1, 2009 thru September 30, 2009 Performance Report

Grant Number:
B-08-MN-27-0001

Grantee Name:
Minneapolis, MN

Grant Amount:
$5,601,967.00

Grant Status:
Active

QPR Contact:
Matt Bower

Obligation Date:
03/20/2009

Award Date:
03/20/2009

Contract End Date:
03/20/2013

Review by HUD:
Reviewed and Approved

Disasters:

Declaration Number
NSP

Plan Description:

A.Areas of Greatest Need Approximately 86% of Minneapolis housing was built prior to 1960. 75% of the housing stock is single family detached structures. 18% of its single family housing stock is non-homesteaded, a 141% increase since 2002. In 2005, Minneapolis had 863 mortgage foreclosure sales. In 2006, 1,610 homes in Minneapolis went to foreclosure sale. In 2007, 2,895 homes went through foreclosure sale; 54.7% were in the three Northside wards of the City. Through the third quarter of 2008, there have been 2,152 foreclosures. Many of these foreclosures are on investment properties that house rentals. In determining communities to receive NSP funding, HUD determined a risk factor assessment by census block group. The risk factor was for whether a census block group had a predictive risk for foreclosed and abandoned housing. The scale was from 0 (very low risk) to 10 (very high risk). City staff took this block group information and layered it onto city neighborhood boundaries. City staff classifies high risk neighborhoods as having a risk factor of 7-10. The incidence of the high risk neighborhoods derived from HUD data sources correlates well with local foreclosure and vacant and boarded listed structure data for similar time periods. The high risk neighborhoods for NSP assistance are detailed in the formal NSP application amendment found at www.ci.minneapolis.mn.us/grants. The dramatic rise in foreclosures mirrors a sharp increase in vacant and boarded structures. According to statistics maintained by the Regulatory Services Department, in 2006, there were 481 structures on the vacant and boarded list. This number rose to 770 structures in 2007 and through August 2008, 928 structures. Looking at the current list of properties that are registered as vacant, of the 928 properties, 87% of the properties have been on the list less than 24 months. There is a direct correlation between this and the current foreclosure crisis that the City is experiencing. Only 10% have been vacant for more than 3 years. Historically (based on past analysis), buildings have remained in the Vacant Building Registration program for an average of 21 months, with some for many years. It remains to be seen if these more recent additions will follow the same pattern. B.Distribution and Uses of Funds Eligible activities need to be carried out in areas affected by: The greatest percentage of home foreclosures; The highest percentage of homes financed by a subprime mortgage related loan; and Likely to face a significant rise in the rate of home foreclosures in the next 18 months The City will seek to meet two national benefit objectives through the Neighborhood Stabilization Program. An activity can be of benefit to an area composed of at least 51% of low-, moderate-, and middle-income residents at or below 120% of area median income (LMMA), or it can be of benefit to low-, moderate-, and middle-income residents at or below 120% of area median income (LMMH). All NSP activities must benefit persons at HUD-approved income levels. The neighborhoods rated as high risk on the map titled HUD Estimated Foreclosure and Abandonment Risk Score with Actual Foreclosures and Registered Vacant and Boarded Properties (page 47) will receive prioritized delivery of NSP program offerings. In addition, the State of Minnesota has identified particular ZIP codes within the City that would receive prioritized State of Minnesota NSP funding under the States NSP allocation formula. The City will be making an application in January 2009 for prioritized State NSP funding. The neighborhoods covered by the State ZIP Code formula are located within the formal NSP application amendment at www.ci.minneapolis.mn.us/grants.

Recovery Needs:

C. Definitions and Descriptions

a. Blighted Structure

For purposes of NSP funding and in the context of local law, the City of Minneapolis will use its nuisance definition in Chapter 249, Minneapolis Code of Ordinances, as the standard for a blighted structure. Specifically, a structure is defined as a nuisance in 249.30:

249.30. "Nuisance condition" defined; waiver of waiting period. (a) A building within the city shall be deemed a nuisance condition if:
(1) It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months; or
(2) The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days; or
(3) Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building; or
(4) Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.
(b) When it is determined by the director of inspections or the city fire marshal that a building constitutes an immediate hazard to the public health and safety, and after approval by the city council, the sixty-day waiting period set out in this section may be waived and the other procedures, as set out in this chapter, may be implemented immediately.
(c) Notwithstanding the foregoing provisions, accessory buildings such as garages, barns and other similar structures, not intended to be used for human habitation, shall be deemed to constitute a nuisance condition when such buildings are in violation of section 244.1560 of the housing maintenance code which regulates nondwelling structures or when such accessory buildings are structurally unsound in the opinion of the director of inspections. (76-Or-102, § 1, 7-9-76; 77-Or-226, § 2, 11-10-77; 78-Or-233, § 2, 11-9-78; 79-Or-016, § 1, 1-26-79; 80-Or-181, § 1, 8-8-80; 84-Or-095, § 1, 6-15-84; 86-Or-236, § 1, 10-10-86; 91-Or-157, § 1, 8-9-91; 92-Or-110, § 2, 9-11-92; 93-Or-142, § 1, 10-1-93; 94-Or-123, § 2, 9-16-94; 2006-Or-059, § 1, 5-26-06 effective October 1, 2006).

b. Affordable Rents

For any NSP-funded rental activity, affordable rents are defined as described in 24 CFR §92.252(a), (c), (f). The maximum unit rent level must be the lesser of HUD Fair Market Rent or the amount affordable to a household at 65% of area median income. If the renter is to pay utilities and services than the most recent Minneapolis Public Housing Authority utility allowance schedule for will be used to determine the net rent. These HUD schedules are updated annually and NSP activities will conform to the most recent schedule in effect at time of proct commitment.

c. Affordability

For the purposes of NSP funding, the City is electing to use the continued affordability standards of the HOME program 24 CFR §92.252 (e) and §92.254 as outlined in the table below. These periods apply to rental and ownership activities.
Table 7
NSP Affordability Periods

Per unit amount of NSP funds for New Construction, Rehab or Acquisition of Existing Housing Minimum Period of Affordability
Under $15,000 5 Years
$15,000 - $40,000 10 Years
Over $40,000 15 Years
New Construction Rental 20 Years

To ensure that NSP-assisted homeownership properties will remain affordable to low/moderate/middle-income homebuyers, a resale provision will be implemented for certain activities and a recapture provision for others. The resale provision will not allow the resale price of the NSP-assisted property to exceed 95 percent of the area median purchase price or after-rehabilitation price for the type of single family housing in this jurisdiction, as determined by HUD. The recapture provision will require repayment of the assistance in the event of property transfer or default during the affordability period.

The proposed resale restriction meets federal requirements, ensuring the initial purchaser with a fair return on their initial investment plus principal reductions, post sale capital improvements and standard closing costs. The resale or recapture requirements would be spelled out in a declaration, promissory note and mortgage or other instrument filed against the property.

The affordability period levels above will also apply to any rental housing assisted with NSP funds. The affordability will be enforced through loan and/or mortgage documents, and a deed restriction or covenant similar to the HOME program.

d. Housing Rehabilitation Standards

The City of Minneapolis plans to adopt the NSP Rehabilitation Standards identified as Exhibit A in the Appendix for all NSP-assisted rehab projects. The standards are designed to correct health, safety, and building code violations in order to sell or rent.

In addition, rehabilitation standards would include housing maintenance standards, energy efficiency, lead abatement (see below), and ease of maintenance and long term maintenance issues. While the homes would be rehabilitated to be an asset to the neighborhood and to avoid high maintenance costs, some economies would be made to avoid excessive rehab costs. For example, newer roofs, furnaces, water heaters, etc., which function properly and with an expected 7 to 10 year usable life expectancy, would not be replaced. The general rule would be to ensure that the homeowner does not experience major replacement costs for a minimum of the first seven years of ownership, and that the home would be eligible for FHA financing.

Additionally, efforts will be made to encourage the developers to institute green and sustainability techniques in the rehab projects.

HUD Lead Safe Housing Rule, 24 CFR 35 will be followed in NSP-assisted housing activities. The requirements of subparts B through R of 24 CFR 35 implement the Lead-Based Paint Poisoning Prevention Act, as amended, and the Residential Lead-Based PaintHazard Reduction Act of 1992. Most HUD housing programs are covered by only one subpart of this part, but some programs can be used for more than one type of assistance and therefore are covered by more than one subpart of this part. All properties constructed prior to 1978 mutbe tested for lead-based paint to determine the presence or absence of lead-based paint on deteriorated painted surfaces or surfaces to be disturbed or replaced during construction and shall be performed by a certified lead-based paint inspector or risk assessor. In addition a risk assessment in the dwelling units receiving Federal assistance, in common areas servicing those units, and exterior painted surfaces, shall be performed prior to the start of rehabilitation. The individual or firm conducting the risk assessment shall provide and explain the results of the investigation and options for reducing lead-based paint hazards. The scope of work and method for abatement shall correlate with the per unit rehabilitation dollar amount.

D. Low Income Targeting

The City of Minneapolis will make at least $1,400,491 (25 percent of the NSP allocation, as required) available for acquisition/rehabilitation/resale or rental serving households at or below 50 percent of area median income. Any NSP funds received from the State of Minnesota will also be required to meet this threshold. This will be accomplished through programming delivered through NSP activity strategies A, B, and E.

In summary though, this income target for affordable housing can be met through a variety of ways and the City will evaluate project proposals for their ability to assist the City in meeting the 25% target. Likely ways that a project could assist the City in providing at least 25% of its NSP funding for housing those at or below 50% of area median income can include:

Assist a low-income family with purchase/rehab of a property;
Support through gap financing a non-profit or public agency redevelopment of a vacant and boarded residential property into affordable rental housing;
Acquire a property for use by a non-profit for permanent supportive housing;
Link NSP-assisted housing activities to other affordable housing resources such as Section 8 vouchers

E. Acquisitions and Relocations

HUD has waived the one-for-one replacement requirements for the NSP program and instituted alternative disclosure and reporting requirements. Some conversion or demolition of low- and moderate-income dwelling units (≤ 80% of area median income) may be expected through this program due to the nature of the housing affected by foreclosures (rehabilitation costs in excess of after market value, poor condition, higher uses for property). However, demolitions undertaken in support of Activity DDemolition of blighted structures will not constitute a lost unit as these are properties that have been vacant for a minimum of six months.

Properties in Activity BPurchase Rehab and Activity CLand Banking may have been recently occupied by a low- or moderate-income household (≤ 80% of area median income) or be under an affordability restriction. If that were the case, the City anticipates being able to add more housing units affordable to those at or below 80% of area median income than it would take out of the market through these NSP-assisted activities. Considering a large percentage of these units will be foreclosed properties, the occupancy rate of these units will be minimal.

F. Public Comment

The draft 2008 Consolidated Plan Amendment #1 was made available
for public comment on November 10, 2008, for a public comment period of November 10-25, 2008. On November 18, 2008, the Minneapolis City Councils Community Development Committee held a public hearing to receive input on the proposed Amendment #1.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	$5,601,967.00
Total CDBG Program Funds Budgeted	N/A	$5,601,967.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$209,870.09	$209,870.09
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	$840,295.05	$0.00
Limit on Admin/Planning	$560,196.70	$28,073.69
Limit on State Admin	$0.00	$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

Work has begun in identifying with developer partners, properties for acquisition and investment. Demolition activity has occurred on 17 properties in NSP target neighborhoods. The homeownership assistance program is anticipated

to begin in January 2010. Several properties have been acquired with NSP funds provided by the State of Minnesota.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
08NSPAdmin, NSP Program Administration	$0.00	$420,000.00	$0.00
08NSPDemo, Demolition of Blighted Structures	$0.00	$1,700,000.00	$0.00
08NSPFinan, FinancingForeclosure Recovery Affordable	$0.00	$500,000.00	$0.00
08NSPLandBank, Acquisition and Land Banking	$0.00	$1,517,167.00	$0.00
08NSPurchaseRehab, Purchase and Rehab	$0.00	$1,464,800.00	$0.00
9999, Restricted Balance	$0.00	$0.00	$0.00

Activities

Grantee Activity Number:	G4820NSP ADM
Activity Title:	Program Admin Finance

Activitiy Category:
Administration

Activity Status:
Under Way

Project Number:
08NSPAdmin

Project Title:
NSP Program Administration

Projected Start Date:
09/29/2008

Projected End Date:
07/31/2013

National Objective:
N/A

Responsible Organization:
City of Minneapolis Finance Department

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$140,000.00
Total CDBG Program Funds Budgeted	N/A	$140,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
City of Minneapolis Finance Department	$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:

Financial processing and monitoring administration activities.

Location Description:

Administration.

Activity Progress Narrative:

Admininstrative costs incurred in quarter for July - September 2009.

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	

Grantee Activity Number:	G4835NSP DEMSF
Activity Title:	Demolition of Blighted Structures

Activitiy Category:
Clearance and Demolition

Activity Status:
Under Way

Project Number:
08NSPDemo

Project Title:
Demolition of Blighted Structures

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
City of Minneapolis Department of Regulatory Services

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$1,700,000.00
Total CDBG Program Funds Budgeted	N/A	$1,700,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$161,030.47	$161,030.47
City of Minneapolis Department of Regulatory Services	$161,030.47	$161,030.47
Match Contributed	$0.00	$0.00
Program Income Received	$0.00	$0.00
Program Income Drawdown	$0.00	$0.00

Activity Description:

Demolition of Chapter 249 Vacant Boarded Registration (VBR) properties to support reduction of blighting influences in NSP-assisted neighborhoods. NSP funds will assist in demo of properties that do not meet a viable rehabilitation test.

Location Description:

Chapter 249 properties located in NSP target neighborhoods of North Minneapolis, Northeast Minneapolis, and South Minneapolis.

Activity Progress Narrative:

17 properties demoed in the quarter.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	17	0/0	0/0	17/100

Activity Locations

Address	City	State	Zip
418 23rd Ave. N.	Minneapolis	NA	55411
1714 Hillside Ave. N.	Minneapolis	NA	55411
3315 6th St. N.	Minneapolis	NA	55412
301 30th Ave. N.	Minneapolis	NA	55411
2837 16th Ave. S.	Minneapolis	NA	55407

2130 6th St. N.	Minneapolis	NA	55411
3122 Minnehaha Ave.	Minneapolis	NA	55406
2955 Russell Ave. N.	Minneapolis	NA	55411
3413 Chicago Ave. S.	Minneapolis	NA	55407
2510 14th Ave. S.	Minneapolis	NA	55404
2440 16th Ave. S.	Minneapolis	NA	55404
2807 Emerson Ave. N.	Minneapolis	NA	55411
1105 28th St. E.	Minneapolis	NA	55407
3411 Chicago Ave. S.	Minneapolis	NA	55407
2113 Chicago Ave.	Minneapolis	NA	55404
4615 Aldrich Ave. N.	Minneapolis	NA	55412
1406 Fremont Ave. N.	Minneapolis	NA	55411

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: G4841NSP ADM
Activity Title: Program Admin IGR-Grants

Activitiy Category:
Administration

Activity Status:
Under Way

Project Number:
08NSPAdmin

Project Title:
NSP Program Administration

Projected Start Date:
09/29/2008

Projected End Date:
07/31/2013

National Objective:
N/A

Responsible Organization:
City of Minneapolis Intergovernmental Relations

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$140,000.00
Total CDBG Program Funds Budgeted	N/A	$140,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$487.59	$487.59
City of Minneapolis Intergovernmental Relations Department	$487.59	$487.59
Match Contributed	$0.00	$0.00
Program Income Received	$0.00	$0.00
Program Income Drawdown	$0.00	$0.00

Activity Description:

Program administration of NSP activities.

Location Description:

Administration.

Activity Progress Narrative:

Administrative costs for quarter of July - September 2009.

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	

Grantee Activity Number:	G4890NSP 25PRAH
Activity Title:	Purchase & Rehab Alliance Housing <50

Activitiy Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
08NSPurchaseRehab

Project Title:
Purchase and Rehab

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LH - 25% Set-Aside

Responsible Organization:
Alliance Housing

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$325,000.00
Total CDBG Program Funds Budgeted	N/A	$325,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
Alliance Housing	$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:

Development value gap financing to non-profit developers to cover the difference between the cost of purchase and rehab of a foreclosed and/or abandoned property and the sale price. The property will be sold to an income-qualified owner-occupant or rented to an income-qualified tenant.
Purchase and rehab foreclosed and abandoned multi-unit structures (no more than an 8-plex) and rent them to households with income at or below 50% AMI.

Location Description:

Developer has identified three eligible projects in North Minneapolis located in NSP target area as described in http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

Developer is in process of identifying appropriate properties. First property is expected to close in December 2009.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/13
# of housing units	0	0	0	0/0	0/0	0/13
# of Households benefitting	0	0	0	0/13	0/0	0/13

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:	G4890NSP 25PRPPL
Activity Title:	Purchase & Rehab PPL <50

Activitiy Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
08NSPurchaseRehab

Project Title:
Purchase and Rehab

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2009

National Objective:
NSP Only - LH - 25% Set-Aside

Responsible Organization:
Project for Pride in Living

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$1,064,800.00
Total CDBG Program Funds Budgeted	N/A	$1,064,800.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
Project for Pride in Living	$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:

NSP funds to provide development value gap financing to non-profit developers to cover the difference between the cost of purchase and rehab of a foreclosed and/or abandoned property and the sale price. The property will be sold to an income qualified owner-occupant or rented to an income-qualified tenant.

Purchase and rehab foreclosed and abandoned multi-unit structures (no more than an 8-plex) and rent them to households with income at or below 50% AMI.

Location Description:

NSP target neighborhoods as described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf
Primary focus will be Phillips and North Minneapolis

Activity Progress Narrative:

Developer is in process of identifying properties.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/42
# of housing units	0	0	0	0/0	0/0	0/42
# of Households benefitting	0	0	0	0/42	0/0	0/42

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:	**G4890NSP 25PRPRG**
Activity Title:	**Purchase & Rehab Powderhorn Residents Group <50**

Activitiy Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
08NSPurchaseRehab

Project Title:
Purchase and Rehab

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LH - 25% Set-Aside

Responsible Organization:
Powderhorn Residence Group

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$25,000.00
Total CDBG Program Funds Budgeted	N/A	$25,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
Powderhorn Residence Group	$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:

NSP funds to provide development value gap financing to non-profit developers to cover the difference between the cost of purchase and rehab of a foreclosed and/or abandoned property and the sale price. The property will be sold to an income qualified owner-occupant or rented to an income-qualified tenant.

Location Description:

NSP target neighborhood focus of Jordan and Harrison as described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

Developer in process of identifying property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/1
# of housing units	0	0	0	0/0	0/0	0/1
# of Households benefitting	0	0	0	0/1	0/0	0/1

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:	**G4890NSP ADM**
Activity Title:	**Program Admin CPED**

Activitiy Category:
Administration

Activity Status:
Under Way

Project Number:
08NSPAdmin

Project Title:
NSP Program Administration

Projected Start Date:
09/29/2008

Projected End Date:
07/31/2013

National Objective:
N/A

Responsible Organization:
City of Minneapolis Community Planning and Economic

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$140,000.00
Total CDBG Program Funds Budgeted	N/A	$140,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$27,586.10	$27,586.10
City of Minneapolis Community Planning and Economic	$27,586.10	$27,586.10
Match Contributed	$0.00	$0.00
Program Income Received	$0.00	$0.00
Program Income Drawdown	$0.00	$0.00

Activity Description:

Administration and monitoring of NSP activities.

Location Description:

Administration.

Activity Progress Narrative:

Administrative costs for July - September 2009 quarter.

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	

Grantee Activity Number:	G4890NSP FIN
Activity Title:	Financing <120

Activitiy Category:
Homeownership Assistance to low- and moderate-income

Activity Status:
Under Way

Project Number:
08NSPFinan

Project Title:
FinancingForeclosure Recovery Affordable Homeownership

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
City of Minneapolis Community Planning and Economic

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$500,000.00
Total CDBG Program Funds Budgeted	N/A	$500,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
City of Minneapolis Community Planning and Economic	$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:

CPED will make down payment and closing cost assistance available to meet the affordability gap in homeownership opportunities for homebuyers, which may include buyers at the HUD required 50% of area median income.

Location Description:

NSP target neighborhoods as described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

Program enticipated to be rolled out in January 2010.

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	0/50
# of Households benefitting	0	0	0	0/0	0/50	0/50

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: G4890NSP LBNK ACQ
Activity Title: Landbank Acquistion

Activitiy Category:
Land Banking - Acquisition (NSP Only)

Activity Status:
Under Way

Project Number:
08NSPLandBank

Project Title:
Acquisition and Land Banking

Projected Start Date:
03/01/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
City of Minneapolis Community Planning and Economic

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$1,517,167.00
Total CDBG Program Funds Budgeted	N/A	$1,517,167.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$20,765.93	$20,765.93
City of Minneapolis Community Planning and Economic	$20,765.93	$20,765.93
Match Contributed	$0.00	$0.00
Program Income Received	$0.00	$0.00
Program Income Drawdown	$0.00	$0.00

Activity Description:

City of Minneapolis, acting through its department of Community Planning and Economic Development, will strategically acquire homes that have been foreclosed upon and demolish blighted structures with NSP funds. The City will purchase only foreclosed properties that are vacant and exhibit blight. It is the City&rsquos expectation to hold these vacant parcels (land bank) for an unspecified time period, not to exceed 10 years, until the market is ready to absorb new development of owner-occupied housing units. As required, the City will adhere to all acquisition, holding and disposition stipulations specified in the NSP notice.

Specifically the City&rsquos Land Bank Program will purchase and demolish those properties that:

- are vacant and blighted to a degree justifying demolition;
- are located in the City-defined NSP high risk service area; and
- are available for purchase at least 5% and on average 15% below the current market appraised value.

Location Description:

NSP target areas as described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

One property acquired during quarter. Several other properties have options however are experiencing title clearance issues.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	1	0/0	0/0	4/75
# of housing units	0	0	1	0/0	0/0	1/75

Activity Locations

Address	City	State	Zip
3635 Girard Ave.	Minneapolis	NA	55412-

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: G4890NSP LBNK DIS
Activity Title: Acquisition and Land Bank Disposition

Activitiy Category:
Land Banking - Disposition (NSP Only)

Activity Status:
Under Way

Project Number:
08NSPLandBank

Project Title:
Acquisition and Land Banking

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
City of Minneapolis Community Planning and Economic

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$0.00
Total CDBG Program Funds Budgeted	N/A	$0.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
City of Minneapolis Community Planning and Economic	$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:

Strategic acquisition of homes that have been foreclosed upon and demolish blighted structures for holding. Properties will be held for maximum of 10 years until the market is ready to reabsorb new development of owner-occupied units. Disposition of properties

- will be offered to both non-profit and for-profit entities;
- for uses that benefit households with incomes at or below 120% AMI;
- will, at a minimum, follow all NSP periods of affordability; and
- if sold for redevelopment of housing occupied by households with incomes at or below 50% AMI within the four-year NSP period, any write-down of NSP funds used for acquisition would be credited to the City&rsquos 25% requirement.

When the market improves, the City will seek the development of single family owners-occupied housing. However, where density is encouraged, the City will support development of multi-unit housing, in which case rental may be preferred.

Location Description:

NSP Target neighborhoods as described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

No disposition activities have occurred to date.

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

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:	G4890NSP PRPRG
Activity Title:	Purchase & Rehab PRG <120

Activitiy Category:
Rehabilitation/reconstruction of residential structures

Activity Status:
Under Way

Project Number:
08NSPurchaseRehab

Project Title:
Purchase and Rehab

Projected Start Date:
01/30/2009

Projected End Date:
07/31/2013

National Objective:
NSP Only - LMMI

Responsible Organization:
Powderhorn Residence Group

Overall	Jul 1 thru Sep 30, 2009	To Date
Total Projected Budget from All Sources	N/A	$50,000.00
Total CDBG Program Funds Budgeted	N/A	$50,000.00
Program Funds Drawdown	$0.00	$0.00
Obligated CDBG DR Funds	$0.00	$0.00
Expended CDBG DR Funds	$0.00	$0.00
Powderhorn Residence Group	$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:

NSP funds to provide development value gap financing to non-profit developers to cover the difference between the cost of purchase and rehab of a foreclosed and/or abandoned property and the sale price. The property will be sold to an income qualified owner-occupant or rented to an income-qualified tenant.

Location Description:

NSP target neighborhood focus of Jordan and Harrison as further described in
http://www.ci.minneapolis.mn.us/cped/docs/NSP_Purchase_Rehab_Activity_Funding_Recommendation_Summary.pdf

Activity Progress Narrative:

Developer in process of identifying property.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	0/2
# of housing units	0	0	0	0/0	0/0	0/2
# of Households benefitting	0	0	0	0/0	0/2	0/2

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	