

Grantee: Nevada

Grant: B-11-DN-32-0001

July 1, 2015 thru September 30, 2015 Performance Report



Grant Number:

B-11-DN-32-0001

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

Nevada

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

Original - In Progress

Grant Award Amount:

\$5,000,000.00

Grant Status:

Active

QPR Contact:

No QPR Contact Found

LOCCS Authorized Amount:

\$5,000,000.00

Estimated PI/RL Funds:

\$500,000.00

Total Budget:

\$5,500,000.00

Disasters:**Declaration Number**

NSP

Narratives**Summary of Distribution and Uses of NSP Funds:**

Administration Funds: \$265,
Nevada Housing Division: \$2,597,861.59- (SNRHA will use \$317,888.97 for Acquisition Rehabilitation activities and \$2,279,972.62 new construction activity at Earl Rulon Mobile Park.

Lyon County: \$591,727.46 - Will administer a Homebuyer program.

RNDC: \$760,181.91 - Will administer a Homebuyer program.

Clark County: \$500,000 - Will use for land banking.

Washoe County: 550,000 - Will use for Acquisition Rehabilitation and Multi-family New Construction.

SNHRA-Amendment

Expanded Buena Vista Springs Target Area for Acquisition Rehab for Rental.

New Neighborhood ID 4590332

Property acquisition continues to be a challenge due to limited inventory as well as high levels of buyer competition. According to a Zillow report (September 2012), homes listed for sale in the Las Vegas market fell by 35% from September 2011 to September 2012. Although inventory nationally fell 19% during that same time period, Southern Nevada has experienced significantly higher declines in inventory than the national average at 35%. Cash investors have also dominated this market according to an analysis completed in August 2012 by the John Burns Real Estate consulting group as reported on DSNews.com. According to that report, cash investor purchases account for 50% of all home acquisitions in Las Vegas. It appears that those cash investors are driving what is seen as current market recovery due to fact that the unemployment rate for the state of Nevada remains high (13.2% as of March 31, 2012 according to HUD's U.S. Housing Market conditions report). The UNLV Center for Business and Economic Research report on Housing Market Conditions in the second quarter of 2012 show continued decline in the MLS-listed inventory for single family homes. Across the entire Las Vegas region, the number of homes on MLS decreased by 12% from January to June of 2012. The time inventory is on the market has also decreased-almost 50% of all homes sold were on the market for less than thirty days.

The State extended the target area to areas north of existing target area boundaries. The area will border along W. Cheyenne, Clayton Street, Revere Street, and West Craig Road. NSP3 activities will leverage other Federally-funded activities located within or in close proximity to the target area. The proposed expanded area is very similar to the original target area in terms of property types, age and conditions and residents have access to the same neighborhood assets.

This amendment was publicly notice in the Las Vegas Review Journal on November 1, 2012 and comments were accepted through November 19, 2012. No comments were received. A copy of the amendment can be seen on Nevada Housing Division's website at www.nvhousing.state.nv.us. SNRHA amendment.

Mobile Home Park-Amendment

New Neighborhood ID 8581939

On November 2, 2012, NHD initiated a Request for Proposal for the use of \$1,600,000 in NSP 3 funds. NHD had hoped to use \$1,000,000 of NSP3 funds for acquisition/rehab/resale of single family homes but due to lack of inventory and interest for the activity NHD was unable to initiate this activity. The remaining \$600,000 was going to be used on a new construction multi-family project, however, the developer of the project decided to use other funding sources leaving NHD with \$1,600,000 to expend in another project. NHD received four proposals and the project showing the greatest need and the ability to complete the project in the timeframe required was selected. The project selected is a redevelopment project qualifying under NSP 3 eligible use E, and will provide additional affordable housing opportunities for low-income senior citizens. All units will be rented to households at or below 50% of area median income (AMI) in order to assist with meeting the NSP 3 requirement of the 25% set aside.

Southern Nevada Regional Housing Authority (SNRHA) was selected as the sub-recipient. SNRHA has a great deal of experience



and they will be able to complete a project which has been vacant. This project will provide both an area benefit as well as direct benefit. It will stabilize the neighborhood as well as provide a stable living and permanent living environment for project beneficiaries. Phase I of the Rulon Earl Mobile Manor has been occupied since 1979 and is occupied by senior citizens ages 55+ as part of the SNRHA Affordable Housing program. The Phase II site pads have been vacant since 2008. Vacant land can be a detriment to surrounding residents due to the potential negative effects of illegal dumping, vandalism and trespassing. Redevelopment of these vacant pads will not only provide additional housing opportunities but also provide enhanced security and comfort for the existing residents of Phase I as well as stabilizing effect for the greater surrounding community.

This amendment was publicly notice in the Las Vegas Review Journal on November 30, 2012 and comments were accepted through December 17, 2012. No comments were received. A copy of the amendment can be seen on Nevada Housing Division's website at www.nvhousing.state.nv.us. Amendment Mobile Home Park.

A third amendment was published on June 11, 2013, showing an increases to Washoe County and Rulon Earl Manor and a decrease in Lyon County and administrative funds. Lyon County decided to terminate their program because of the lack of eligible foreclosed homes and did not want the State to risk losing funding. Washoe County's new construction project came in over budget and therefore, they needed to cancel the Acq/Rehab/Rental project and move the funds into the new construction project. Additional funding was allocated to Rulon Earl project. This amendment was posted on Nevada Housing Division's website.

How Fund Use Addresses Market Conditions:

NHD analyzed its single family and multi-family portfolios to identify areas with high rates of loan defaults and rental properties with high vacancy rates. This information was used to gain information on single and multi-family properties that may be located in high foreclosure areas and/or be negatively impacted by the current housing market crisis. The goal is to turn neighborhoods around by acquiring foreclosed homes and selling or renting them.

Ensuring Continued Affordability:

Long-term affordability shall be in accordance with the HOME program standards at 24 CFR 92.252(a),(c), (e), and (f) for rental properties and 24 CFR 92.254 for homeownership housing.

In addition, to secure these periods of continued affordability the State will require each sub-grantee, direct sub-recipient, developer, and homebuyer to execute a contract that identifies the period of continued affordability for the specific project and incorporates resale or recapture provisions should the government entity, organization, or individual transfer title of the property before the expiration of the continued affordability period.

For all properties acquired with NSP funds, the State will require the recordation of a Deed of Trust and/or Land Use Restriction Agreement that outlines the above terms.

Definition of Blighted Structure:

Blighted Structure is defined based on Title 18, Chapter 231, in the Nevada Revised Statutes that defines a blighted urban area. Combining this definition with the definition of "structure" provides the definition of "blighted structure." A "blighted structure" is a structure that is used or intended to be used for residential, commercial, industrial or other purposes, or any combination thereof, which is unfit or unsafe for those purposes and is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency or crime because of one or more of the following factors:

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1. Defective design and character of physical construction;
2. Faulty arrangement of the interior and spacing of buildings;
3. Overcrowding;
4. Inadequate provision for ventilation, light, sanitation, open spaces and recreational facilities; and
5. Age, obsolescence, deterioration, dilapidation, mixed character or shifting of uses.

Definition of Affordable Rents:

The local definitions for non-entitlement communities are included below. Definitions of "affordable rents" for entitlement communities are included in their Substantial Amendments or Action Plans.

For rents below 80% of median income the program will follow the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f).

Affordable rents for units designated for households with incomes below 50% of AMI will be no more than 30% of 50% of AMI, adjusted for unit size. Such rents may be increased annually after HUD updates fair market rents and median incomes.

Gross rental rates for affordable rental housing for households earning between 80% and 120% of the area median income may charge fair housing rents for each county in which the housing is located as adjusted for family size.

Gross rents shall include contract rent and utilities. If the tenant pays utilities, a utility allowance must be subtracted from the maximum allowable rent to determine the maximum contract rent.

Housing Rehabilitation/New Construction Standards:

Housing acquired and rehabilitated with NSP funds will be required to meet local building code standards for the jurisdiction within which the property is located. In addition, each home and rental unit will be evaluated for opportunities to improve the energy efficiency of the unit balancing costs of such activities against the benefit of the improvement



Vicinity Hiring:

The Nevada Housing Division will require, through its contracts, as applicable, that sub-recipients, developers, and other covered entities give preference to Business Concerns and/or qualified residents that reside within the NSP3 target area when hiring additional workers or contracting for services. Part of this requirement will be issuing bid notices and employment notices in local areas and/or disseminating this information through Community Action Agencies or non-profit agencies that operate within the target area.

Procedures for Preferences for Affordable Rental Dev.:

The Nevada Housing Division supports the development of new and preservation of existing rental housing for low and moderate income households as evidenced by funds appropriated to NSP3 housing activities in Washoe and Clark Counties. In addition, should housing acquired through the NSP3 program for resale not sell at reasonable prices (i.e. the cost of acquisition plus rehabilitation plus developer fee), the State will give preference to renting these homes to eligible households.

Grantee Contact Information:

Debbie Parra, HOME Program Manager
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 Carson City, NV 89706
 dparra@housing.nv.gov
 775-687-2041

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,286,595.85
Total Budget	\$0.00	\$5,286,595.85
Total Obligated	\$0.00	\$5,286,595.85
Total Funds Drawdown	\$4.50	\$5,282,687.51
Program Funds Drawdown	\$0.00	\$4,984,999.13
Program Income Drawdown	\$4.50	\$297,688.38
Program Income Received	\$36,145.00	\$526,002.72
Total Funds Expended	\$0.00	\$5,282,683.01
Match Contributed	\$0.00	\$0.00

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	\$0.00
Limit on Public Services	\$750,000.00	\$0.00
Limit on Admin/Planning	\$500,000.00	\$261,301.03
Limit on State Admin	\$0.00	\$261,301.03

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$500,000.00	\$265,209.37

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,250,000.00	\$3,677,348.24



Overall Progress Narrative:

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
NV-1101-AD, ADMINISTRATION	\$0.00	\$265,223.41	\$225,926.01
NV-1102-NHD, NHD Projects	\$0.00	\$2,597,861.59	\$2,567,861.59
NV-1103-LY, Lyon County (Financing-Eligible Use A)	\$0.00	\$591,727.46	\$576,728.46
NV-1104-RNDC, RNDC	\$0.00	\$781,797.43	\$564,483.07
NV-1105-CL, Clark County	\$0.00	\$500,000.00	\$500,000.00
NV-1106-WA, Washoe County	\$0.00	\$550,000.00	\$550,000.00



Activities

Project # / Title: NV-1101-AD / ADMINISTRATION

Grantee Activity Number: NV-1101-10-NHD
Activity Title: ADMINISTRATIVE FUNDS

Activity Category:

Administration

Project Number:

NV-1101-AD

Projected Start Date:

05/01/2011

Benefit Type:

N/A

National Objective:

N/A

Activity Status:

Under Way

Project Title:

ADMINISTRATION

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

NEVADA HOUSING DIVISION

Overall	Jul 1 thru Sep 30, 2015	To Date
Total Projected Budget from All Sources	N/A	\$24,623.77
Total Budget	\$0.00	\$24,623.77
Total Obligated	\$0.00	\$24,623.77
Total Funds Drawdown	\$4.50	\$21,738.64
Program Funds Drawdown	\$0.00	\$20,110.07
Program Income Drawdown	\$4.50	\$1,628.57
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$21,734.14
Match Contributed	\$0.00	\$0.00

Activity Description:

This activity will allow the State of Nevada Housing Division planning, legal, consulting, and professional services, including homebuyer education services, and general administration support for the NSP3 program.

Location Description:

The State of Nevada Housing Division will use administrative funds for target areas identified in Clark County, Lyon County, Washoe County and by RNDC.

Activity Progress Narrative:



Accomplishments Performance Measures

No Accomplishments Performance Measures

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: NV-1103-LY / Lyon County (Financing-Eligible Use A)

Grantee Activity Number:	NV-1103-1
Activity Title:	Fernley Target-Lyon County Homebuyer Asst-Moderate

Activity Category:

Homeownership Assistance to low- and moderate-income

Project Number:

NV-1103-LY

Projected Start Date:

05/10/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Completed

Project Title:

Lyon County (Financing-Eligible Use A)

Projected End Date:

06/30/2013

Completed Activity Actual End Date:

Responsible Organization:

LYON COUNTY

Overall

Total Projected Budget from All Sources

Total Budget

Total Obligated

Jul 1 thru Sep 30, 2015

N/A

\$0.00

\$0.00

To Date

\$291,729.46

\$291,729.46

\$291,729.46



Total Funds Drawdown	\$0.00	\$291,729.46
Program Funds Drawdown	\$0.00	\$276,730.46
Program Income Drawdown	\$0.00	\$14,999.00
Program Income Received	\$14,999.00	\$89,994.00
Total Funds Expended	\$0.00	\$291,729.46
Match Contributed	\$0.00	\$0.00

Activity Description:

During NSP1 an effective Homebuyer Assistance program was implemented by Lyon County. Given the success of this effort, the NHD is proposing to provide funds to Lyon County so it can continue to provide eligible homebuyer costs to eligible homebuyers.

This program will assist qualified households to purchase, and rehabilitate if necessary, homes currently owned by the banks as a result of foreclosure through the provision of soft second loans. The neighborhood identified is significantly impacted by the incidence of foreclosures.

Homebuyers must complete homebuyer counseling prior to receiving the NSP3 down payment assistance. All homes purchased must meet NSP3 requirements for a minimum 1% discount of the current market appraised value.

Households receiving down payment assistance will be required to sign a loan document which includes information on the interest rate of the loan, if any, repayment terms, and affordability period requirements. HOME affordability periods will be followed.

Location Description:

1) Fernley Target Area - Neighborhood ID #7262756 Located in Lyon County, Fernley has been hard hit by the foreclosure crisis. The NHD is specifically targeting an area within Fernley bounded on the north by US 50, the west by State Route 95A, the south by Desert Shadows Road, and the east by US 50. According to HUD data, this area has a NSP3 need score of 18, above the state minimum threshold score of 17. There are over 3,000 housing units in this area of which 15.8% are 90 or more days delinquent on their mortgage or in foreclosure. Between July 2009 and June 2010 234 housing units were Real Estate Owned (REO) properties. Housing prices have decreased by approximately 29% since their peak value and unemployment in the area has increased from 5.5% in June 2005 to 18.3% in June 2010 (based on Bureau of Labor Statistics Local Area Unemployment Statistics).

During NSP1 an effective Homebuyer program was implemented by Lyon County. Given the success of this effort, the NHD is proposing to provide funds to Lyon County so it can continue to provide Homebuyer assistance to eligible homebuyers.

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	20/20
# of Singlefamily Units	0	20/20

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	18/18	20/20	90.00
# Owner Households	0	0	0	0/0	18/18	20/20	90.00



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

Project # / Title: NV-1104-RNDC / RNDC

Grantee Activity Number: NV-1104-5

Activity Title: Pahrump-RNDC Homebuyer Assistance

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

NV-1104-RNDC

Projected Start Date:

06/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LMMI

Activity Status:

Under Way

Project Title:

RNDC

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

Responsible Organization:

RURAL NEVADA DEVELOPMENT CORPORATION

Overall

Total Projected Budget from All Sources

Jul 1 thru Sep 30, 2015

To Date

Total Budget

N/A

\$552,308.78

Total Obligated

\$0.00

\$552,308.78

Total Funds Drawdown

\$0.00

\$552,308.78

Program Funds Drawdown

\$0.00

\$392,879.87

Program Income Drawdown

\$0.00

\$159,428.91

Program Income Received

\$21,146.00

\$406,008.72

Total Funds Expended

\$0.00

\$552,308.78

Match Contributed

\$0.00

\$0.00

Activity Description:



This program will assist qualified households to purchase and to provide rehabilitation, if necessary, to homes currently owned by the banks as a result of foreclosure through the provision of soft second loans. The neighborhood identified is significantly impacted by the incidence of foreclosures.

Homebuyers must complete homebuyer counseling prior to receiving the NSP3 down payment assistance. All homes purchased must meet NSP3 requirements for a minimum 1% discount of the current market appraised value.

Households receiving down payment assistance will be required to sign a loan document which includes information on the interest rate of the loan, if any, repayment terms, and affordability period requirements. HOME affordability periods will be followed.

Location Description:

Pahrump Target Area - Neighborhood ID#1607543 and #4290405 as reflected on HUD's mapping tool is located within Nye County, the City of Pahrump enjoyed economic and population growth during the latter 20th Century. However, as the housing bubble burst and the economy in the Las Vegas valley went into decline so did this once thriving area. Like the other NSP3 target areas, the Pahrump Target Area has a high NSP3 need score. It also is similar in that there has been a substantial fall in home values and an increase in the number of REO and abandoned properties. During the past year alone, there have been over 180 foreclosure starts and over 16% of properties are 90 or more days delinquent on their mortgage or in foreclosure. The specific areas within the City of Pahrump that will be targeted are: Area #1 bounded on the north by Route 372, the west by S. Barney Street, the south by Gamebird Road, and the east by Route 160 and Mandy Avenue. Area #2 bounded on the north by Highway 160, on the east by Highway 160 and Hafen Ranch Road, on the west by Homestead Road, and on the south by Kellog Road. Given the large number of abandoned and foreclosed properties in these areas, the NHD will use NSP3 funds to support a DPA program for eligible homebuyers. A similar program was operated in NSP1, although in a broader area, and had success.

Activity Progress Narrative:

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	10/15
# of Singlefamily Units	0	10/15

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	7/10	10/15	70.00
# Owner Households	0	0	0	0/0	7/10	10/15	70.00

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	



