

**Grantee: Osceola County, FL**

**Grant: B-11-UN-12-0023**

**July 1, 2018 thru September 30, 2018 Performance Report**

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**Grant Number:**

B-11-UN-12-0023

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

Osceola County, FL

**Contract End Date:**

03/10/2014

**Review by HUD:**

Reviewed and Approved

**Grant Award Amount:**

\$3,239,646.00

**Grant Status:**

Active

**QPR Contact:**

Danicka Ransom

**LOCCS Authorized Amount:**

\$3,239,646.00

**Estimated PI/RL Funds:**

\$1,300,000.00

**Total Budget:**

\$4,539,646.00

## Disasters:

### Declaration Number

No Disasters Found

## Narratives

### Summary of Distribution and Uses of NSP Funds:

Through the Acquisition and Rehabilitation Eligible Use, Osceola County intends to work with affordable housing partners with the capacity to provide affordable housing and meet NSP3 goals and requirements. The priority will be to partner with non-profits wherever feasible. Capacity to perform and compliance must be demonstrated by partners. We plan to provide funding to local affordable housing partners, selected by the County, to acquire, rehab, and then resell (or rent) foreclosed properties as affordable housing to low-, moderate-, or middle-income households.

We will follow all Uniform Relocation Act (URA) requirements and the local anti-displacement policy. Through training and procedures, the County intends to avoid any displacement of tenant-occupied properties or otherwise legally occupied units that trigger URA. The focus of this program will be REO's and other NSP eligible properties that do not trigger URA. Normal notice to the seller concerning URA rights and visual inspections of the property before contract offer and closings will be used to prevent URA compliance activities, where possible. The benefits to income-qualified persons or households include the opportunity to purchase or rent a home that is priced at lower than market value, that has recently been rehabilitated, and where cost feasible, has been made energy efficient. The area will also benefit by the decrease in number of vacant homes and the anticipated increase in property values.

For units to be resold (homeownership units), the County will require that homebuyers demonstrate the ability to pay conventional mortgage rates and maintain the home after the available NSP funds have been provided to acquire and rehab the property. No sub-prime or other high risk non-conventional mortgages will be allowed in this program. For purposes of long-ensuring long-term affordability, the affordability period begins on the date of resale to a LMMI eligible household.

For purposes of ensuring long-term affordability, in the case of rental / lease property, the affordability period begins on date of closing.

The County will further ensure long-term affordability by recording a restriction on the deed and /or mortgage on all NSP-assisted units. These affordability provisions will remain in effect for the minimum HOME affordability terms used in NSP1. For the affordability period, subsequent purchasers / tenants of NSP-assisted units must be income eligible. If not, the amount of assistance will be recaptured at date of resale / occupancy by an ineligible tenant.

The County will apply the rental preferences to those properties that become rental units (set-aside activity for rental housing (VLI or 50% AMI)).

In Osceola County, we will do everything we can to provide for the hiring of employees and conducting NSP3-related business with small businesses that are owned and operated by persons residing in the vicinity of the NSP3 projects, especially Section 3 persons and businesses. This will include but not be limited to advertising in local newspapers and on the County's website for the employees and businesses that the County will need to implement this plan. The County will specifically look for persons/businesses that are engaged in landscaping, painting, and debris removal. The County will

### Summary of Distribution and Uses of NSP Funds:

till adhere to the local, State, and Federal procurement procedures in this hiring and procurement process.

### How Fund Use Addresses Market Conditions:

The home values throughout the area have fallen approximately 32% over the last few years. Using the HUD NSP3 Mapping Tool, the County has identified specific target areas in the Buenaventura Lakes and Poinciana communities in which the purchase, rehab, and reselling (or renting) of these properties will have a significant impact. Concentrating the NSP3 funding in these areas will decrease the number of vacant units in the areas, should increase property values, and enhance the affordability of housing



throughout the areas.

Amendment 2 - The County recently requested a Housing Market Analysis from the National Community Stabilization Trust. The data provided in this analysis was the basis for determining the new Areas of Greatest Need (AGN's). The HUD NSP3 mapping tool was used to draw the proposed AGN's for this Amendment. The maps and data forms from the HUD mapping tool were included with the submission to HUD in November 2012.

A careful review of the Housing Market Analysis provided by the National Community Stabilization Trust revealed that Notices of Default have dropped substantially and the REO inventory has also fallen considerably in the County. The available REO inventory and Notices of Default that have been filed are concentrated in the northwest quadrant of the County. With investors becoming extremely active in the local housing market again, it has become increasingly difficult for the County to compete with them. It has been determined that for the County to achieve its goal/HUD requirement of expending fifty percent (50%) of this grant by March 2013, most of this identified area will need to become the County's Area of Greatest Need (AGN). The County will endeavor to cluster its acquisitions to small communities/neighborhoods, however, this may not be possible given the market conditions and HUD deadline.

This Amendment to the plan was discussed at the AHAC/CATF meeting on October 18, 2012. The AHAC/CATF recommended approval of the AGN expansions to the Board of County Commissioners (BOCC). An advertisement was placed in the local newspaper, the Orlando Sentinel and El Sentinel (Spanish language version) announcing the Amendment and maps were made available for review and comment on the County's website from October 19, 2012 to November 2, 2012. The Notice also announced that there would be an opportunity to comment on the Amendment at the BOCC meeting on November 5, 2012. The amendment was considered at the regular BOCC meeting on November 5, 2012, of which, the Amendment was approved.

Amendment 3 - This minor amendment is being submitted July 22, 2013.

Activity 1/ Osceola County needs to address the very low income rental projects (scattered site rentals and Four Winds) with additional funding. \$400,000 is being moved from Activity 1 to Activity 2.

Activity 2 / Osceola County needs to address the very low income rental projects (scattered site rentals and Four Winds) with additional funding. \$400,000 is being moved from Activity 1 to Activity 2

There were no public comments received associated with this amendment.

### **How Fund Use Addresses Market Conditions:**

Amendment 4 - This minor amendment is being submitted September 5, 2013

Osceola County requests approval to enlarge its currently approved Areas of Greatest Need (AGN) in the Poinciana and St. Cloud areas. The current Poinciana AGN will be expanded by adding an area that adjoins to the north of the current AGN. The new AGN will have a northern border that runs along Highway 17/92 from a point west of S. Poinciana Blvd to Lake Tohopekaliga. Then the AGN boundary follows the western shore of Lake Tohopekaliga until it connects with the current AGN boundary. The current St. Cloud AGN will be expanded to Brown Chapel Rd and a line continuing south to become the west boundary of the new AGN. The north boundary remains the same. The east boundary will become the west shore of Lake Runnymede and continue south along Hickory Tree Road to E. 19th St. The southern border will run along E. 19th St. west to Michigan Ave., north on Michigan Ave. then west to Bulldog Lane, then north to 17th St., then west on 17th St. to Kentucky Ave. then south for two (2) blocks and then west along a line that meets the western line extended from Brown Chapel Rd. These new areas have been discussed at an Affordable Housing Advisory (AHAC) meeting on July 11, 2013. The AHAC recommended approval of the additions to the Board of County Commissioners. The Board of County Commissioners met on August 12, 2013 and approved adding these new areas. A public comment period for this change was run from July 4 to July 19, 2013. No comments or questions were received. Osceola County requests this expansion because over the last several weeks the County staff has been working with NSP3 applicants to find properties that fit our program requirements and are located in the current AGN. We are finding that there are only a limited number of foreclosures in the current AGN's. This situation is confirmed by the Housing Market Analysis done for the County by the National Community Stabilization Trust (NCST). The County is also competing with Walt Disney World resort for rental type properties.

Additional Information for this request:

Neighborhood ID# - Poinciana – 7496490

St. Cloud – 4258270

### **Ensuring Continued Affordability:**

The County will use the HOME affordability limits in its acquisition and rehabilitation activities. In those activities, as per 24CFR 92.252(e), the County will ensure that all properties receiving NSP funding will be secured by a restriction on the deed and/or recorded mortgage as follows:

Up to \$15,000 = 5 years

\$15,001 - \$40,000 = 10 years

Over \$40,000 = 15 years

New Construction = 20 years

To help maintain the long-term affordability, it should be noted that interest will not be charged. All soft second mortgages will be 0%.

### **Definition of Blighted Structure:**

A blighted structure is one that has substantial deterioration in which conditions are leading to economic distress or endangerment of life. The County agrees in the Housing Assistance Plan and this Action Plan that a structure is blighted when one or more of the following factors are present:

1. Unsanitary or unsafe conditions;
2. Deterioration of site or other improvement; or
3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness.



**Definition of Affordable Rents:**

Affordable rents are defined as and shall not exceed the Fair Market Rents (FMR) published annually by the US Department of Housing and Urban Development for the Orlando – Kissimmee, Florida Metropolitan Statistical Area (MSA) which includes Lake, Orange, Osceola and Seminole Counties. The current rates are:

# of bedrooms:	0	1	2	3	4
fair market rent:	\$795	\$865	\$988	\$1,237	\$1,456

**Housing Rehabilitation/New Construction Standards:**

The Housing Assistance Plan, Florida Residential Building Code and when more stringent, County Building Code shall be the Standards used in the NSP program in Osceola County.

Also, per HUD guidance, any gut rehabilitation or new construction of residential buildings up to three stories will be designed to meet the standard for Energy Star Qualified New Homes.

Also, any gut rehabilitation or new construction of mid or high rise multifamily units will be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineer Standard 90.1-2004, Appendix G plus 20%. Other rehabilitation will meet those standards to the extent applicable to the rehabilitation work being undertaken, e.g. replacing older obsolete products and appliances with Energy Star - 46 labeled products. Water efficient toilets, showers, and faucets, such as those with the WaterSense label, will be installed. Where relevant, the housing will be improved to mitigate the impact of disasters, such as earthquake, hurricane, flooding, and fire.

**Vicinity Hiring:**

The County will do everything feasible to provide for the hiring of individuals and businesses that are owned and operated by persons residing in the vicinity of the NSP3 projects, especially Section 3 persons and businesses. This will include but not be limited to advertising in local newspapers, with the local Workforce Board and colleges and on the County’s website for the employees and businesses that the County will need to carry out its Substantial Amendment Plan. The County will issue RFP’s specifically looking for persons/businesses that are engaged in landscaping, painting, debris removal, and related services to accomplish this goal. The County will still adhere to the local, State, and Federal procurement procedures in this hiring process.

**Procedures for Preferences for Affordable Rental Dev.:**

Rental Housing Preference is defined as the preference given to specific groups of families with the greatest housing needs. These preferences are established to reflect the rental needs of the local community. The County expects to use its set-aside funding of approximately \$810,000 to assist in putting 6 low income families into rental housing.

**Grantee Contact Information:**

Danicka Ransom, Housing Manager  
 Osceola County Human Services  
 330 North Beaumont Avenue  
 Kissimmee, FL 34741  
 407-742-8418  
 dran@osceola.org

Overall	This Report Period	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$4,239,646.00
<b>Total Budget</b>	\$0.00	\$4,239,646.00
<b>Total Obligated</b>	\$2,550.00	\$4,058,428.45
<b>Total Funds Drawdown</b>	\$2,550.00	\$4,058,428.45
<b>Program Funds Drawdown</b>	\$0.00	\$2,988,671.45
<b>Program Income Drawdown</b>	\$2,550.00	\$1,069,757.00
<b>Program Income Received</b>	\$0.00	\$1,108,170.01
<b>Total Funds Expended</b>	\$0.00	\$4,058,428.45
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00



## Progress Toward Required Numeric Targets

Requirement	Target	Actual
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$485,946.90	\$0.00
Limit on Admin/Planning	\$323,964.60	\$367,401.97
Limit on Admin	\$0.00	\$367,401.97
Most Impacted and Distressed Threshold (Projected)	\$0.00	\$0.00
Progress towards LH25 Requirement	\$1,134,911.50	\$1,352,049.92

## Overall Progress Narrative:

The County stands at over 125% expended, inclusive of original allocation and total program income received. The County is currently exceeding its 25% set-aside requirement. The County has determined the market is no longer favorable for its existing NSP strategies, and the County's BCC has approved a Substantial Amendment to move all remaining funds to Activity 5 – Redevelopment. The County's overall goal is to expend all remaining funds on one project.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Acquisition/rehabilitation/rental or resell - 120% LMMI	\$0.00	\$2,355,770.00	\$1,843,004.24
2, Acquisition/rehabilitation/rental or resell - 50% LMMI	\$0.00	\$1,459,912.00	\$925,182.70
3, Program Administration	\$0.00	\$423,964.00	\$220,484.51
4, Land Banking	\$0.00	\$0.00	\$0.00
5, Redevelopment	\$0.00	\$0.00	\$0.00



## Activities

**Project # / Title:** 3 / Program Administration

**Grantee Activity Number:** 3  
**Activity Title:** Program Administration

**Activity Category:**

Administration

**Project Number:**

3

**Projected Start Date:**

06/01/2011

**Benefit Type:**

( )

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Program Administration

**Projected End Date:**

05/14/2014

**Completed Activity Actual End Date:**

**Responsible Organization:**

Osceola County Board of County Commissioners

**Overall**

**Total Projected Budget from All Sources**

**Jul 1 thru Sep 30, 2018**

N/A

**To Date**

\$423,964.00

**Total Budget**

\$0.00

\$423,964.00

**Total Obligated**

\$2,550.00

\$367,401.97

**Total Funds Drawdown**

\$2,550.00

\$367,401.97

**Program Funds Drawdown**

\$0.00

\$220,484.51

**Program Income Drawdown**

\$2,550.00

\$146,917.46

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$367,401.97

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

NSP3 Program Administration funds will be used to pay reasonable and necessary expenses of implementing the program. This includes but is not limited to County staff salaries, office supplies, and the engagement of a consulting firm to provide administrative and rehabilitation assistance.

**Location Description:**

Portion of unincorporated Osceola County area known as Buenaventura Lakes and portion of unincorporated Osceola county area known as Poinciana

**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

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