

**Grantee: Broward County, FL**

**Grant: B-11-UN-12-0002**

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

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<b>Grant Number:</b> B-11-UN-12-0002	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> Broward County, FL	<b>Contract End Date:</b>	<b>Review by HUD:</b> Submitted - Await for Review
<b>Grant Award Amount:</b> \$5,457,553.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> Angela Bauldree
<b>LOCCS Authorized Amount:</b> \$5,457,553.00	<b>Estimated PI/RL Funds:</b> \$2,309,380.00	
<b>Total Budget:</b> \$7,766,933.00		

## Disasters:

### Declaration Number

NSP

## Narratives

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

The main data source used to determine the areas of greatest need was the HUD NSP3 Downloadable Data Files. These files provided data for the census block and groups in Broward County. This data scored the areas in regard to greatest need by providing the NSP3 Need Score. A formula was used to calculate this score by considering such factors as the rate of subprime loans, foreclosure rates, vacancy rates, rate of increase in unemployment, and fall in home values. The highest rated areas in Broward County had scores of 19 and 20, 20 being the maximum possible. Other categories of data provided include, number of housing units in a census area, percentage of persons 120% and 80% AMI or below, vacancy rate (number of units not receiving mail in last 90 days), number of high cost mortgages executed between 2004 and 2007, estimated rate of mortgages seriously delinquent in June 2010, estimated number of foreclosure starts over the last year, estimated number of completed foreclosures in the past year, percent fall in housing values since peak value, unemployment rate 2005 and 2010. Location data (addresses) from NSP1 projects was also used to determine the correlation between the NSP3 greatest need areas and the location of NSP1 projects. Broward County has the unique characteristic of being a built out County with 31 municipalities and 13 entitlement communities. The County has a very small unincorporated area, and 18 municipalities that the County represents for NSP3 funding. The County's choice of funding areas attempts to balance this representation with an effort to focus on areas of greatest need and an effort to increase the impact of NSP3 dollars by concentrating the area where the funds will be spent. To do this, Broward County used the HUD NSP3 Downloadable Data Files to identify and target the unincorporated and non-NSP3 entitlement community census tracks with a Need Score of 20 (greatest score possible). The County also looked at the percent of persons at or below 80% AMI, to see that the target areas had a percentage high enough to properly represent lower income households. This approach not only targets the greatest need areas and areas with a large percentage of low income households, but it also greatly reduces the targeted area, thus increasing impact, by giving first priority to Need Score 20 areas. Funds will be used in these areas in two major ways: One, to stop further decline in otherwise stable neighborhoods by purchasing and rehabilitating a property in serious disrepair. This will help stop the disrepair from spreading to surrounding properties and causing further decline. Two, to turn around neighborhoods experiencing more serious decline by targeting multiple properties in relatively small neighborhood areas. To do this, Broward County will encourage multiple property projects in focused areas, or projects in close proximity to NSP1 properties. This approach will increase the impact of NSP funding from both programs on declining neighborhoods. To identify the NSP1 projects that fall within the NSP3 areas Broward County mapped the location of NSP1 projects and overlaid this on the NSP3 areas of greatest need. This map shows a clustering of NSP1 projects in the NSP3 target areas. A map showing the NSP3 areas of greatest need, and a spreadsheet of HUD census track source data are included in Broward County's substantial change for NSP3. On November 8, 2011, Res

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

Solution 2011-684 was Adopted by the Broward County Board of County Commissioners adding an additional area to the eligible NSP3 areas of greatest need. This additional area added a portion of Census Tract 509, West of North Andrews Avenue in the City of Wilton Manors. This area will allow NSP3 dollars to be spent in Wilton Manors to further build upon the impact that NSP1 dollars have had in this neighborhood. This neighborhood is in need of further investment to reverse the adverse effect.

### How Fund Use Addresses Market Conditions:

Broward County has one of the highest foreclosure rates in the nation. Foreclosure along with other factors has driven down home values and destabilized neighborhoods. While some areas are stable or strengthening, the areas of greatest need continue to require assistance. The County has a high number of severely cost burdened households (greater than 50 percent of



household income spent on housing) especially in low income greatest need neighborhoods. The goals for Broward County are to revitalize the greatest need areas by strengthening home ownership, improving housing stock and stabilizing declining markets throughout the County.

In Broward County housing values have fallen, in general, 30 to 40 percent since the peak in the housing market. However, rental rates have remained close to peak levels, helping to create a demand for affordable rental units, and this demand has been made worse by families losing their homes to foreclosure, and the loss of employment. This is especially true in low income areas. Making matters worse, foreclosure has reduced the supply of multifamily rental units and contributed to further decline of these units. The goals for Broward County are to revitalize the greatest need areas by providing affordable rental units, improving rental housing stock and stabilizing declining markets throughout the County.

### **Ensuring Continued Affordability:**

Broward County will require all recipients of NSP3 funding to execute a mortgage, promissory note, and a declaration of restrictive covenants. These documents will be recorded in the Public Records and are enforceable mechanisms to insure continued affordability (30 years).

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

For the purposes of the NSP3, a blighted structure echoes the criteria for slum and blight found in Florida Statutes Chapter 163.340, which outlines the following conditions:

1. Building deterioration
2. Site deterioration or site deficiencies
3. Unsanitary and unsafe conditions and incompatible uses
4. Six or more ownership parcels per block
5. Buildings greater than 40 years of age
6. Presence of closed/vacant buildings
7. Presence of vacant lots
8. Buildings in violation of property maintenance code violations
9. Presence of buildings scheduled for demolition

A blighted structure will meet one or more of the aforementioned criteria.

Broward County's Administrative Code defines it further and states: That a "Blighted area" exists, which is an area in which there is a substantial number (20% or more), of slum or deteriorating structures and conditions which endanger life or property.

### **Definition of Affordable Rents:**

Affordable rental cost shall be determined by using the HOME Program rent chart for the current year, as follows:

Households at 50% area median income or below will pay a maximum of the Low HOME Rent Limit (with adjustment for the number of bedrooms) minus utility allowance.

Households at 51-80% of area median income will pay a maximum of the High HOME Rent Limit (with adjustments for the number of bedrooms) minus utility allowance.

Households at 81%-120% of area median income will pay a maximum of the Fair Market Rent (with adjustments for the number of bedrooms) minus utility allowance.

All rental activities carried out by Broward County using NSP funds will remain affordable to income-eligible families for a period no less than thirty (30) years, which exceeds the minimum standards set by 24CFR92.252(e).

### **Housing Rehabilitation/New Construction Standards:**

Broward County will utilize its existing housing rehabilitation standards as revised for NSP3 funded projects. A copy of these standards is included in Broward County's substantial change for NSP3.

### **Vicinity Hiring:**

Vicinity hiring will be provided to the maximum extent feasible by including clauses in all NSP3 developer contracts that require the developers to use the County's Small Business Enterprise List and the County's Business Enterprise List for choosing qualified vendors and contractors. This will guarantee these firms will be located within the County. The agreements will also stipulate that when faced with a choice between qualified contractors located within Broward County, when possible, a first time preference will be given to the contractor located within a targeted Priority 1 or Priority 2 NSP3 Area as defined in the Broward County NSP3 Plan.

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

Broward County used the Broward County Affordable Housing Needs Assessment conducted by Florida International University Metropolitan Center published in 2009 to evaluate the need for rental and owner occupied housing units over the five year period from 2010 to 2015, for both low and moderate income units. For rental units, projections show that demand will increase most for low income units, increasing by 4,280 over the five year period. This is compared to only 2,070 for moderate income units. Demand for low income owner occupied units is projected to increase by 6,470 and for moderate income owner occupied units by 4,350.

Overall, demand for owner occupied low and moderate income units over the time period of NSP3 is projected to be greater than low and moderate income renter unit demand, with renter unit demand greatest for low income units.

Therefore, Broward County is addressing both owner and rental units in NSP3 and is focusing on low income for the rental units. To address this, 27% of the NSP3 funding and 47% of the NSP3 projected total units is proposed to be allocated for low income rental units. This will provide a balanced approach that matches the County's demand for both rental and owner occupied units while providing a rental housing preference in the income category where it is needed most.

#### Grantee Contact Information:

Broward County Housing Finance and Community Development Division  
110 NE 3rd Street, Fort Lauderdale, FL 33301  
Terri Schuler, NSP3 Project Manager(954)357-4941, tschuler@broward.org

Overall	This Report Period	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$7,533,065.04
<b>Total Budget</b>	\$0.00	\$7,533,065.04
<b>Total Obligated</b>	\$0.00	\$7,533,065.04
<b>Total Funds Drawdown</b>	\$0.00	\$7,503,470.01
<b>Program Funds Drawdown</b>	\$0.00	\$5,350,584.91
<b>Program Income Drawdown</b>	\$0.00	\$2,152,885.10
<b>Program Income Received</b>	\$0.00	\$2,309,380.51
<b>Total Funds Expended</b>	\$0.00	\$7,408,217.25
<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
<b>Overall Benefit Percentage (Projected)</b>		0.00%
<b>Overall Benefit Percentage (Actual)</b>		0.00%
<b>Minimum Non-Federal Match</b>	\$0.00	\$0.00
<b>Limit on Public Services</b>	\$818,632.95	\$0.00
<b>Limit on Admin/Planning</b>	\$545,755.30	\$701,172.01
<b>Limit on Admin</b>	\$0.00	\$701,172.01
<b>Most Impacted and Distressed Threshold (Projected)</b>	\$0.00	\$0.00
<b>Progress towards LH25 Requirement</b>	\$1,941,733.25	\$1,976,500.00

## Overall Progress Narrative:

Staff in process of receipting Program Income. The PI will be added to balance of program funds to issue and RFP for eligible activity to expend all remaining funds.

## Project Summary

Project #, Project Title	This Report Period	To Date	
		Program Funds Drawdown	Project Funds Budgeted
001, Residential Acquisition and Rehabilitation	\$0.00	\$6,802,298.00	\$4,805,283.26
002, Program Planning and Administration	\$0.00	\$730,767.04	\$545,301.65



## Activities

**Project # / Title:** 002 / Program Planning and Administration

**Grantee Activity Number:** 003

**Activity Title:** Administration

**Activitiy Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

002

**Project Title:**

Program Planning and Administration

**Projected Start Date:**

03/09/2011

**Projected End Date:**

03/09/2014

**Benefit Type:**

( )

**Completed Activity Actual End Date:**

**National Objective:**

N/A

**Responsible Organization:**

Broward County Housing Finance and Community

**Overall**

**Total Projected Budget from All Sources**

**Jul 1 thru Sep 30, 2018**

N/A

**To Date**

\$730,767.04

**Total Budget**

\$0.00

\$730,767.04

**Total Obligated**

\$0.00

\$730,767.04

**Total Funds Drawdown**

\$0.00

\$701,172.01

Program Funds Drawdown

\$0.00

\$545,301.65

Program Income Drawdown

\$0.00

\$155,870.36

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$0.00

\$701,172.01

Broward County Housing Finance and Community

\$0.00

\$701,172.01

**Most Impacted and Distressed Expended**

\$0.00

\$0.00

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

Administration and planning costs associated with the NSP3 grant.

**Location Description:**

Countywide, with administrative offices located at Broward County Housing Finance and Community Development Division, 110 N.E. 3rd Street, Fort Lauderdale, FL 33301.

**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

No Other Funding Sources Found

Total Other Funding Sources

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Amount