

Grantee: Cuyahoga County Land Reutilization Corporation

Grant: B-09-CN-OH-0032

January 1, 2011 thru March 31, 2011 Performance Report

Grant Number:

B-09-CN-OH-0032

Obligation Date:**Grantee Name:**

Cuyahoga County Land Reutilization Corporation

Award Date:

02/11/2010

Grant Amount:

\$40,841,390.00

Contract End Date:

02/11/2013

Grant Status:

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

Millie Davis

Disasters:

Declaration Number

NSP

Narratives

Executive Summary:

The Cuyahoga County Land Reutilization Corporation (CCLRC), Cuyahoga County, the City of Cleveland and the Cuyahoga Metropolitan Housing Authority (CMHA) have combined forces to present a comprehensive plan for market recovery in Cuyahoga County and the City of Cleveland. The resulting Cuyahoga-Cleveland Consortium for NSP 2 funds implements a comprehensive revitalization program designed for market recovery in 20 target areas hard hit by the foreclosure crisis.

Target Geography:

The target areas include portions of the Cleveland neighborhoods of Ansel/Newton, Buckeye/Larchmere, Colfax/Garden Valley, Collinwood, Corlett, Detroit-Shoreway/West Tech, Fairfax, Glenville, Lee-Miles, Mt. Pleasant, Slavic Village, Old Brooklyn, St. Clair-Superior, Tremont/Clark, Westown.

The target areas also include portions of the suburbs of East Cleveland, Garfield Heights, Lakewood, Shaker Heights and South Euclid.

Program Approach:

The proposed use of funds will create the following targeted and coordinated programs

- Acquisition/Rehabilitation/Reconstruction
- Demolition
- Land Bank
- Homebuyer Assistance
- Rental Project Development Assistance

Consortium Members:

The Cuyahoga Cleveland Consortium consists of the following entities:

The Cuyahoga County Land Reutilization Corporation, which acts as the Lead Entity for the Consortium.

The Cuyahoga County Department of Development

The City of Cleveland

The Cuyahoga Metropolitan Housing Authority

How to Get Additional Information:

Additional information on the NSP 2 Program can be found on the CCLRC's website:

www.cuyahogalandbank.org

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$40,841,390.00
Total CDBG Program Funds Budgeted	N/A	\$40,841,390.00
Program Funds Drawdown	\$0.00	\$61,628.72
Program Funds Obligated	\$0.00	\$61,628.72
Program Funds Expended	\$0.00	\$0.00
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
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$0.00	\$0.00
Limit on Admin/Planning	\$4,084,139.00	\$27,697.54
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$4,084,139.00	\$4,084,143.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$10,210,347.50	\$10,210,348.00

Overall Progress Narrative:

General Consortium Administration:

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- >Regular bi-weekly meetings were held with staff from each of the consortium entities: Cuyahoga County Land Reutilization Corp. (CCLRC), City of Cleveland Department of Community Development, the Cuyahoga County Department of Development (Cuyahoga DOD), and the Cuyahoga Metropolitan Housing Authority (CMHA). The meetings served to discuss requirements for NSP2 as it relates to program administration, compliance and to finalize details for the various programmatic activities and production timelines.
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- >This quarter all four consortium members also met with Enterprise Community Partners to review technical assistance (TA) needs. A final TA plan is still being determined and must be approved before the consortium will be provided the assistance.
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- >CCLRC, the City of Cleveland, and Cuyahoga County developer subcommittee continues to meet monthly to discuss the Investor Loan Programs progress and any ways to increase efficiency and production.
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- >CCLRC attempted to draw down funds on behalf of the consortium 03/31/11 but was unable to access the DRGR

system in time for this quarterly performance report. CCRLC obligated \$231,554.02 on 04/01/11 which was intended for this quarter, but will be reported in the second quarter. Even though the NSP 2 Cleveland-Cuyahoga Consortium did not draw down any funds this quarter, there has been a surge of activity. Below is our progress in the following areas:

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>1a- City of Cleveland Investor Loan Funds:

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>The City of Cleveland currently has approximately 5-6 properties totaling roughly \$1.2 million worth of contracts for the NSP 2 Investor Rehab Program already in process. There are an additional 12 conditional purchase agreements between developers and the CCLRC (see 3a- CCLRC Landbanking below for more details).

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>1b- Cuyahoga County Department of Development:

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>Cuyahoga DOD currently has 4 applications for the Investor Loan Program waiting for the final contracting phase. The County continues to meet with suburban municipalities in the target areas to discuss program progress. Discussions with Cuyahoga DOD and the City of East Cleveland have led to the possible consideration of multi-family rental. Also, CCLRC has one conditional purchase agreement awaiting application, and one pending.

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>Cuyahoga DOD has created a website in an effort to market and sell NSP properties not only funded through NSP 1 but also NSP 2 rehabbed homes. The website is www.idealhomesc.com and has direct links to the listing agents. This website is available to all NSP-funded homes regardless of grantee or location as long as it is within Cuyahoga County. Although the website has only been up for a short time there has already been traffic to the site and interest in the homes listed. Lastly, potential homebuyers can input their basic income information into the website and a representative will follow up with them to see if they qualify for the program and work with them to identify a home.

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>3a- CCLRC Acquisition/Landbanking Activities:

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>CCLRC has been focused on providing a pipeline of eligible foreclosed properties to developers to be used in the City of Cleveland (activity 1a) and Cuyahoga DOD (activity 1b) NSP 2 Investor Rehab Loan Programs. CCLRC acquires and holds properties until a responsible certified developer is interested in applying to either program, at which time CCLRC will sell properties to them for \$1.00.

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>This quarter CCLRC hired a housing manager who has been working with developers and Community Development Corporations (CDC's) to acquire CCLRC's inventory of NSP 2 eligible properties to be used for the City of Cleveland and Cuyahoga County Investor Loan Programs. As mentioned above, the CCLRC currently has conditional purchase agreements in place for approximately 14 properties which are pending application and approval.

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>While CCLRC, the City of Cleveland and Cuyahoga County Development staff work directly with for-profit and non profit developers on acquisition/rehabilitation, Neighborhood Progress, Inc. (NPI), a CCLRC subrecipient for administration and planning has been providing additional services in planning, mapping, and technical assistance to Community Development Corporations (CDC's) in the 20 target areas to identify properties that can be rehabbed by these non-profit organization. Once again strategic identification that will have the most stabilizing impact for the neighborhoods is the goal. A few of the 14 conditional purchase agreements mentioned above are with CDC's.

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>CCLRC ensures proper compliance requirements are met on all properties purchased through CCLRC and shares this information directly with consortium partners in an effort to expedite the application process and elevate some burden on developers to provide this documentation through an additional step.

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>Lastly, CCLRC has decided to take a direct development role in NSP 2 and will actually undertake two housing rehabilitations in-house, one in the City of Cleveland, and one in the County utilizing Investor Loan dollars.

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>2a- City of Cleveland Demolition:

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>Part of the funds obligated on 04/01/11 were for demolitions in the City of Cleveland. The City plans to make another request in the coming weeks. There is no shortage of blighted structures in the NSP 2 target areas.

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>2b/2c- CCLRC Demolition:

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>CCLRC is also waiting for final documentation on the fully completed demolition of a large 24 unit blighted apartment building that was demolished as part of a subrecipient agreement with the City of Lakewood. Once this documentation is submitted the remaining \$96,100 will be drawn down.

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>Lastly, CCLRC is in talks with a local non-profit who specializes in deconstruction to possibly have the organization carry out the deconstruction portion of our NSP 2 grant. This organization is the only one of its type in Cuyahoga County.

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>4a- City of Cleveland Low-Income Rental 25% Set-aside:

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>The City of Cleveland is now responsible for administering the projects that were originally assigned to CCLRC. Through an RFP process three projects were awarded funds. All of them fell within the City's jurisdiction so, as spelled out in our NSP 2 application, these grants/loans will be administered by the City of Cleveland. All of the projects that were selected are currently in the environmental review and contracting phase.

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>4b- CMHA Low-Income Rental 25% Set-aside:

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>CMHA is working on completing detailed plans and specifications for their portion of the 25% low-income set aside. They are currently in the contracting phase with CCLRC and the City of Cleveland for their two projects that have been identified.

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>Consortium Monitoring, Compliance, and Draw Requests:

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>CCLRC will begin drafting a monitoring plan for the consortium now that draws are being made regularly. CCLRC already requires that consortium partners input their project information into an online system which asks them to input information about the compliance that was done on each project. This information is being tracked and any information that seems to flag a compliance issue can be held for reimbursement until more information is provided. This is a basic level of monitoring that ensures consortium members are requesting and receiving the appropriate NSP 2 required information on their projects prior to requesting reimbursement from CCLRC.

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>There is still work that needs to be done to make the reimbursement request process more efficient for consortium members as the amount of information required for documentation for financial purposes is not always easily accessible and may be located within multiple departments within a consortium member's organization. Understandably, the City of Cleveland, Cuyahoga DOD, and CMHA are not accustomed to having to provide this information-they are rather accustomed to requiring it from their grantees. This process is coming along slower than we would like, but should get better with every request as systems are put into place and understanding of the requirements are made clear to the necessary parties.

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>The Cleveland-Cuyahoga consortium Section 3 subcommittee continues to meet monthly to discuss the Section 3 action plan. All consortium partners are taking an active role, in sharing best practices on how to: track contracting opportunities, meet Section 3 numerical goals, collect data for annual reporting, and how to improve the overall certification process for businesses.

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>In the short-term the subcommittee is working together to create and outreach strategy which would include hosting workshops to encourage Section 3 and minority businesses to become certified. While the long-term goal for the subcommittee is to create a single data-management system that would allow information sharing amongst

grantees and Section 3 certified business. The benefit of such a system would be the ability to bid contracts directly to these businesses, as well as to match businesses with Section 3 employees, and lastly be a more efficient means for all consortium members to access and maintain the most update-to-date list of certified businesses in Cuyahoga County.

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Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Redevelopment of Vacant or Demolished Properties	\$0.00	\$15,046,399.00	\$9,931.18
2, Demolition	\$0.00	\$6,336,250.00	\$24,000.00
3, Land Bank	\$0.00	\$600,000.00	\$0.00
4, Homebuyer Assistance	\$0.00	\$4,564,250.00	\$0.00
5, Rental Housing Development	\$0.00	\$10,210,348.00	\$0.00
6, Administration	\$0.00	\$4,084,143.00	\$27,697.54
9999, Restricted Balance	\$0.00	(\$40,841,390.00)	\$0.00