



BOARD OF SUPERVISORS

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U.S. Department of Housing and Urban Development
San Francisco Regional Office - Region IX
600 Harrison Street
San Francisco, California 94107-1387
www.hud.gov
espanol.hud.gov

MAR 10 2014

Supervisor Vito Chiesa
Stanislaus County Board of Supervisors, Chairman
1010 10th St, Suite 6500
Modesto, CA 95354

Dear Supervisor Chiesa:

Congratulations! As a grantee under the Neighborhood Stabilization Program 3 (NSP3), HUD records indicate that Stanislaus County has met the statutory requirement under Section 1497 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank) of 2010 to expend at least 100 percent of allocated funds within three years from the date funds became available to the recipient for obligation. The 100 percent expenditure deadline is March 9, 2014 for Stanislaus County.

As of March 9, 2014 the Disaster Recovery Grant Reporting System (DRGR), showed that Stanislaus County has drawn down \$3,643,793.15 or 87 percent of its NSP3 award amount of \$4,175,947. In the Quarterly Performance Report (QPR), Stanislaus County has reported expenditures of \$4,243,511.40 or 106 percent.

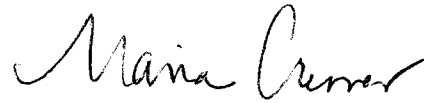
The San Francisco Field Office will be reviewing a sample of recent expenditure documentation from your program to verify that the amount of funds drawn down has been expended. Please submit to HUD the expenditure documentation outlined in the enclosed list within five business days of the date of this letter. Following the review, HUD will notify you in writing if any deficiencies in reported expenditures are found. Note that in determining compliance with the NSP3 expenditure requirement, the Department considers expenditure of both the grant funds and program income.

Grantees are also reminded of their statutory obligation to use at least 25 percent of the NSP3 grant amount for the purpose of providing housing to households at or below 50 percent of area median income. The Department is closely tracking grantee performance on this particular requirement and will hold grantees accountable for achieving this level of benefit at closeout.

It is the Department's desire to see each NSP3 grantee continue to make rapid progress toward neighborhood stabilization. Your NSP3 staff is urged to consult your HUD Field Representative with questions and visit the OneCPD Resource Exchange at www.onecpd.info to view webcasts on critical issues and request technical assistance where appropriate. Questions and inquiries may also be directed to Celia Jones at 415.489.6579 or Celia.M.Jones@hud.gov

Again, congratulations!

Sincerely,

A handwritten signature in black ink that reads "Maria Cremer". The signature is written in a cursive style with a large, sweeping initial "M".

Maria Cremer
Director
Community Planning and
Development Division

cc: Miguel Diaz

Enclosure

Expenditure Documentation Requested:

Please remit all backup documentation for expenditures entered into DRGR from February 18, 2014 to present.