

Grantee: Houston, TX

Grant: B-08-MN-48-0400

January 1, 2010 thru March 31, 2010 Performance Report

Grant Number:
B-08-MN-48-0400

Obligation Date:

Grantee Name:
Houston, TX

Award Date:

Grant Amount:
\$13,542,193.00

Contract End Date:

Grant Status:
Active

Review by HUD:
Reviewed and Approved

QPR Contact:
Betty Keaton

Disasters:

Declaration Number
NSP

Plan Description:

The City of Houston Planning and Development Department estimates that as of January 2008, Houston had a population of 2,229,199 residents. Over fifty-three percent of Houstonians are low to moderate-income (LMI) residents, with a majority being minorities. The supply of affordable housing has become an issue in recent years. Rental rates and purchase prices have increased rapidly, therefore limiting LMI residents ability to afford housing. The supply of affordable housing, coupled with sub-prime lending practices, lender credit restrictions, and increased tax delinquencies, has destabilized many neighborhoods. As of March 2008, a total of 7,584 properties were foreclosed by lenders and municipalities, of which 758 properties are REOs. Furthermore, recent hurricanes (Katrina, Rita, and Ike) have adversely impacted the supply of affordable houses in the Houston area by severely damaging current dwelling units, displacing citizens, and welcoming residents from nearby counties and states.

Recovery Needs:

NSP funds will be leveraged with private sector partners to address foreclosures, increase homeownership, and expand the stock of affordable housing while removing the blight of vacant and abandoned buildings.

To identify areas with the greatest need, HCDD rated census tracts and zip codes based upon the number of credit and tax foreclosures, numbers of REO (real estate owned) properties by lenders, and data provided by HUD regarding risk of foreclosure and relative levels of subprime lending. HCDD used risk ratings to determine census tracts most impacted by increased foreclosure activity. The level of risk ranged from ten being the highest, to one being the lowest. As a result, Target Zones were defined as contiguous high risk areas, containing multiple properties ranging between nine and ten.

Based upon the data found in the Target Zones, HCDD decided to implement the following three activities or programs:

1. \$1,354,219 for administrative use
2. \$3,385,549 to benefit households at or below 50% of area median income (AMI)
 - A. Deliverable: 40 units of for-sale housing for low-income (<50% of AMI) households
3. \$8,802,425 to benefit households at or below 120% of AMI
 - A. Deliverable: 220 units acquired to be conveyed to qualified third parties to construct affordable housing

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$1,354,219.00
Total CDBG Program Funds Budgeted	N/A	\$1,354,219.00
Program Funds Drawdown	\$0.00	\$0.00

Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$52,597.23	\$52,597.23
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
Minimum Overall Benefit Percentage	99.99%	0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$2,031,328.95	\$0.00
Limit on Admin/Planning	\$1,354,219.30	\$52,597.23
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Progress Toward National Objective Targets

Overall Progress Narrative:

- o The Request for Council Action (RCA) for each project has been reviewed the Housing Committee and passed through for review by the full Council.
 - o A Copy of the Loan Agreement and Appendices and LURA have been drafted and are awaiting final approval by the City's legal team after the original documents were drafted by outside council.
 - o The review of all Loan Agreements by the participating 501cs is scheduled to take place on Wednesday, with a seven day review period prior to being placed on council agenda.
- The Current Status of the Houston Federal NSP Grant is as follows; all funds are scheduled to be obligated by May.

Condition Number 1:

The city must submit to the Houston Field Office a schedule for resolving each of the 19 outstanding monitoring findings resulting from HUD's monitoring visits conducted: August 2-6, 2004, HOME Investment Partnerships (HOME) Program; May 2-6, 2005, Community Block Development Grant (CBDG), Housing Opportunities for Persons with AIDS (HOPWA) and HOME Investment Partnership (HOME) programs. This Condition was met within 30 days of the finding.

Condition Number 2:

The City must submit to the Houston Field Office a monitoring plan. The City must develop and maintain a schedule for monitoring all NSP sub-recipients or contractors. HUD will verify the implementation of the process for compliance with 24 CFR Parts 85.36; 24 CFR 85.40; 85.42; 24 CFR 570.501 (b); and 24 CFR 570.503 (b). The City has a sub-recipient monitoring packet that is present in each sub-recipient file and is updated in accordance with the sub-recipient's actions.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
04/14G-ABR, Acquisiton/Rehabilitation-Multi-Family	\$0.00	\$8,802,425.00	\$0.00
04/14G-AR, Acquisition/Rehabilitation-Single Family	\$0.00	\$3,385,549.00	\$0.00
21A-ADM, Program Administration	\$0.00	\$1,354,219.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

Activities

Grantee Activity Number: 04/14G-ABR-101
Activity Title: A

Activity Category:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Planned

Project Number:
 04/14G-ABR

Project Title:
 Acquisiton/Rehabilitation-Multi-Family

Projected Start Date:
 03/26/2009

Projected End Date:
 09/26/2010

National Objective:
 NSP Only - LMMI

Responsible Organization:
 City of Houston Housing and Community Development

Overall	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	\$0.00
Total CDBG Program Funds Budgeted	N/A	\$0.00
Program Funds Drawdown	\$0.00	\$0.00
Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
City of Houston Housing and Community Development	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:
 Activity Cancelled.

Location Description:

Activity Progress Narrative:

- \$8,802,425 for multi-family rehabilitation will be available to families earning less than 120% AMI. HCDD has designated this money for the National Farm Workers Service Center (NFWSC) Pine Ridge Project. NFWSC has also applied to receive additional Disaster Recovery money. If HCDD grants the additional funds from Disaster Recovery, then the units will have to be made available to families earning less than 80% AMI, which is the greatest extent allowed with Disaster Recovery funds. The contract for this project has a projected signature date of before March 30, 2010. This project will generate program income.

Project Update/ Current Grant Status

- This project has received a prescreening review from HUD and is in the process of going to the legal department for a determination on the status of foreclosure.
- Currently NFWSC is scheduled to enter into a contract with the foreclosing entity this month.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

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	

Grantee Activity Number: 04/14G-AR-101

Activity Title:

Activity Category:

Rehabilitation/reconstruction of residential structures

Activity Status:

Planned

Project Number:

04/14G-AR

Project Title:

Acquisition/Rehabilitation-Single Family

Projected Start Date:

03/26/2009

Projected End Date:

09/26/2010

National Objective:

NSP Only - LH - 25% Set-Aside

Responsible Organization:

City of Houston Housing and Community Development

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Expended CDBG DR Funds	\$0.00	\$0.00
City of Houston Housing and Community Development	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

Activity Cancelled.

Location Description:

Activity Progress Narrative:

\$3,385,549 for single-family rehabilitation will be available to families earning less than 50% AMI. HCDD has designated \$3,255,000 to five non-profit organizations so that they may rehabilitate and sell seven homes each: Houston Habitat for Humanity (\$875,000), Tejano Center for Community Concerns (\$595,000), Covenant Neighborhoods (\$595,000), Fifth Ward CRC (\$595,000), and Guiding Light (\$595,000). We held a training session to educate the participating 501c's on NSP/HUD regulations. This project will generate program income.

Performance Measures

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
Total acquisition compensation to	0	0	0	0/0	0/0	0/0

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

Amount

Grantee Activity Number: 21A-ADM-101
Activity Title: Administrative Costs

Activity Category:

Administration

Activity Status:

Under Way

Project Number:

21A-ADM

Project Title:

Program Administration

Projected Start Date:

03/26/2009

Projected End Date:

09/26/2010

National Objective:

N/A

Responsible Organization:

City of Houston Housing and Community Development

Overall	Jan 1 thru Mar 31, 2010	To Date
Total Projected Budget from All Sources	N/A	\$1,354,219.00
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Program Income Drawdown	\$0.00	\$0.00

Activity Description:

To allow for the planning, performance, and monitoring of activities under the NSP.

Location Description:

City of Houston

Activity Progress Narrative:

In accordance with 24 CFR 570.205 and 206 an amount up to 10 percent of the NSP grant provided to a jurisdiction may be used for general administration and planning activities. The total amount of eligible and allowable costs HCDD has expended to date in personnel and non-personnel related costs is \$52,597.23. The following is a breakdown of the total expense:

- Salary costs - \$34,106.91
- Health Insurance - \$4,285.81
- Pension - \$5,388.90
- FICA \$2,609.18
- Advertising Sales - \$6,206.43

Performance Measures

No Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
NSP	\$0.00
Total Other Funding Sources	\$0.00
