

Grantee: Harris County, TX

Grant: B-11-UN-48-0401

April 1, 2011 thru June 30, 2011 Performance Report

Grant Number:

B-11-UN-48-0401

Obligation Date:**Grantee Name:**

Harris County, TX

Award Date:**Grant Amount:**

\$1,925,917.00

Contract End Date:

03/16/2014

Grant Status:

Active

Review by HUD:

Submitted - Await for Review

QPR Contact:

No QPR Contact Found

Disasters:**Declaration Number**

NSP

Narratives**Summary of Distribution and Uses of NSP Funds:**

Harris County is unique in its experience with the foreclosure crisis, as comparatively low costs for housing have resulted in less of a housing bubble. Due to Harris County's large size, foreclosures are present across the service area rather than concentrated in a particular area. In some cases, new construction continues in subdivisions with a high number of foreclosed properties.

>Harris County used the NSP3 GIS mapping tool to identify the NSP need score for each census tract in the service area. Harris County further analyzed the housing make up for each census tract with an NSP need score of 16 or higher. This analysis determined the number of rental, multi-family and single family housing in each census tract with a high needs score.

>The County also recognizes the need to develop affordable rental housing for very low income residents. Harris County will satisfy the 25% requirement by funding the redevelopment of a foreclosed and vacant lot into affordable rental housing. Because this development is located in an area with a need score of 17, based on the HUD provided mapping tool, the County will use NSP 3 funds to provide affordable rental housing for residents at or below 50 percent of area median income.

How Fund Use Addresses Market Conditions:

Harris County used the HUD NSP3 mapping tool to identify areas of greatest need. Harris County also used area foreclosure data available through the Houston Association of Realtors website (www.har.com) to include the most up to date information on listed foreclosures. The HAR website foreclosure search tool identifies current foreclosures in the Houston Metro and Harris County service areas. The County used the HAR data to support the findings of the HUD NSP3 mapping tool.

The Houston Association of Realtors foreclosure data tool identified current foreclosed properties in the selected census tracts. Three subdivisions were identified as having a high percentage of foreclosure activity resulting from new home builders providing high cost or predatory loans. The HUD NSP3 GIS mapping tool derived an NSP need score of 17 for the three selected subdivisions. Harris County selected these three neighborhoods based on the needs score and the expectation that targeting these areas will have the greatest impact. The selected subdivisions offer a range of prices that will allow for affordability for LMMI beneficiaries. Acquiring, rehabbing and reselling homes in the selected subdivisions will increase the efforts of stabilizing the neighborhoods in a concentrated area, while also extending homeownership opportunities. Harris County has purchased, rehabilitated and sold homes to homebuyers in these subdivisions as part of the original Neighborhood Stabilization Program (NSP1).

Ensuring Continued Affordability:

Harris County uses the HOME affordability standards to ensure affordability for a minimum of five years for all Harris County residents receiving assistance with homeownership through the Neighborhood Stabilization Program. Currently, the minimum affordability periods are five years for homeowners receiving less than \$15,000 in assistance, 10 years for homeowners receiving \$15,000 - \$40,000 in assistance and 15 years for homeowners receiving more than \$40,000 in assistance. Assistance includes the a reduction in sales price from Harris County's acquisition price and Harris County's contribution for eligible closing costs.

Definition of Blighted Structure:

A building that has been maintained in a manner that is structurally unsafe or constitutes a hazard to safety, health, or public welfare because of inadequate maintenance, unsanitary conditions, dilapidation, obsolescence, disaster, damage, or abandonment or because it constitutes a fire hazard.

Definition of Affordable Rents:

Harris County’s Affordable Housing Policy uses the most current HOME Investment Partnerships (HOME) Program rent schedule to ensure affordable rents. The HCCSD Director shall reserve the right to adjust rent schedules on a project-by-project basis to best serve the low-income residents of Harris County and/or ensure project feasibility.

Housing Rehabilitation/New Construction Standards:

Harris County will use its Minimum Acceptable Standards for Residential Acquisition, Construction and Rehabilitation to guide rehabilitation. This document establishes minimum standards for single-family and multiple-family housing that receives federal assistance. The requirements establish a minimum standard for the health and safety of a home’s occupants. To ensure increased energy efficiency in the single family homes funded using NSP3, Harris County proposes to acquire only homes constructed within the last twelve years. Multifamily structures funded through NSP3 will be required to meet or exceed Energy Star Certification. The complete Minimum Acceptable Standards document can be found at http://www.csd.hctx.net/PS_HomeRepairProgram.aspx

Vicinity Hiring:

To comply with vicinity hiring, Harris County will require subrecipients to advertise for bids for subcontracts and lower tier subcontracts in proximity of the identified NSP3 service area. Subrecipients will advertise in the local area newspapers & periodicals for a period of no less than thirty (30) days. Subrecipients, to the greatest extent feasible, will award contract opportunities to lower income residents of the project area and contracts for work in connection with the project to businesses which are located in, or owned in substantial part, by persons residing in the project area.

Procedures for Preferences for Affordable Rental Dev.:

To focus on affordable rental development, Harris County will use NSP3 funds as leverage to assist in the development of an (88 unit) affordable multi-family project, currently under development with the use of NSP1 funding.

Grantee Contact Information:

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Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$1,925,917.00
Total CDBG Program Funds Budgeted	N/A	\$1,925,917.00
Program Funds Drawdown	\$0.00	\$0.00
Program Funds Obligated	\$0.00	\$0.00
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	\$288,887.55	\$0.00
Limit on Admin/Planning	\$192,591.70	\$0.00
Limit on State Admin	\$0.00	\$0.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$192,591.70	\$192,591.70

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$481,479.25	\$481,479.25

Overall Progress Narrative:

No activity to report.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
C2011-0058, Single Family Acquisition, Rehab and Disposition	\$0.00	\$1,251,846.05	\$0.00
C2011-0059, Multifamily Acquisition and Redevelopment	\$0.00	\$481,479.25	\$0.00
C2011-0060, NSP3 Administration	\$0.00	\$192,591.70	\$0.00