

Action Plan

Grantee: Dallas County, TX

Grant: B-08-UN-48-0001

Grant Amount: \$ 4,405,482.00

Status: Reviewed and Approved

Funding Sources

No Funding Sources Found

Narratives

Areas of Greatest Need:

NSP funds authorized by the Housing and Economic Recovery Act of 2008 (HERA) for emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties. A. AREAS OF GREATEST NEED The Dallas County area is experiencing record levels of foreclosures. It has been calculated that 10.58% of all loans in the County's 16-city CDBG area are at least thirty days delinquent and that 3.07% of all loans in this area are already in foreclosure; such figures are significantly higher than those for the entire State (6.98% and 1.72%). Many of the sixteen cities that participate in the County's CDBG program are suffering from this problem: CDBG AREA FORECLOSURE STATISTICS City Prop. to be Auc Bank owned Total DeSoto 208 515 723 Cedar Hill 169 457 626 Lancaster 135 402 537 Duncanville 67 195 262 Seagoville 25 104 129 Balch Springs 19 89 108 Sachse 31 53 84 Glenn Heights 27 49 76 Farmers Branch 16 42 58 Coppell 11 29 40 TOTAL 712 1935 2643 Within these ten cities are neighborhoods that contain about 70% of a city's NSP-eligible foreclosures. Since large, concentrated amounts of foreclosures can depress local property values, lead to vandalism, and discourage surrounding property-owners from investing in and properly maintaining their homes and since many of these foreclosures are occurring in what were previously regarded as being stable neighborhoods, this situation has significant implications for the County's long-term economic future. Accordingly, these neighborhoods, the boundaries of which are described below, shall serve as the target areas where County NSP-funded activity will take place: DeSoto: The City will have two target areas. One area will be bounded by Wintergreen on the north, Sequoia/Polk on the east, Pleasant Run on the south, and Bristol Trail/Westmoreland on the west. The second target area will be bounded by Belt Line on the north, Polk on the east, the city limits on the south and Cockrell Hill Road on the west. Duncanville: The area bounded by Wheatland on the north, the city limits on the east and south, and Santa Fe Trail on the west. Cedar Hill: The area bounded by Belt Line on the north, Joe Wilson Road on the east, the city limits on the south, and Hwy 67 on the west. Lancaster: The area bounded by the city limits on the north, Hwy 342 on the east, Pleasant Run on the south, and the city limits on the west. Seagoville: The area extending one-mile from either side of Hwy 175 from the city's western border to its eastern border. Balch Springs: The City will have two target areas. One area will be the triangular area bounded by Eastgate, I-20, and I-635. The second target area will be bounded by Bruton on the north, I-635 on the east, Lake June Road on the south, and the city limits on the south. Sachse: The triangular area bounded by the Dallas County-line on the north, Murphy/Bunker Hill, and Miles. Glenn Heights: The area bounded by the city limits on the north, I-35 on the east, Dallas County-line on the south, and Westmoreland on the west. Farmers Branch: The area bounded by Belt Line on the north, Webb Chapel on the east, I-635 on the south, and I-35 on the west. Coppell: The area bounded by the Dallas County-line border on the north, the city limits on the east, Belt Line on the south, and Denton Tap on the west. Continued in Recovery Needs Section.

Distribution and Uses of Funds:

B. DISTRIBUTION AND USES OF FUNDS Recognizing that many neighborhoods within the County's CDBG program area are suffering from record levels of foreclosures, the County will allocate \$1,000,000 of its NSP funding for use in providing down-payment assistance and for the repair of homes acquired with this down-payment assistance in the aforementioned target areas within DeSoto, Cedar Hill, Lancaster, Duncanville, Seagoville, Balch Springs, Sachse, Glenn Heights, Farmers Branch, and Coppell. Another \$60,000 of the County's NSP funding will be allocated for the administration of this down-payment/home repair component. Because about 80% of the County's CDBG program area foreclosed properties are located in four cities (DeSoto, Lancaster, Duncanville, and Cedar Hill) and because, as shown below, these cities also have the highest intrastate subprime and delinquency component scores in the County's CDBG area (which lead one to anticipate that the number of foreclosures in these cities will probably continue to increase), the County will also allocate \$3,345,482 for the direct acquisition, repair, marketing, and re-selling of foreclosed properties in these cities' aforementioned target areas. CDBG AREA FORECLOSURE NEEDS SCORES Intrastate subprime Intrastate Delinquency ZIP Component Score Component Score DeSoto 75115 57.6 83.0 Cedar Hill 75104 50.8 75.5 Lancaster 75134 37.7 64.3 Lancaster 75146 29.5 51.6 Balch Springs 75180 21.7 21.7 Duncanville 75137 13.9 17.3 Seagoville 75159 11.5 12.1 Duncanville 75116 9.2 10.3 Farmers Branch 75234 6.4 3.8 Coppell 75019 1.52.6

Definitions and Descriptions:

C. DEFINITIONS AND DESCRIPTIONS (1)Blighted Structure-As defined by the County, a structure will considered to be blighted when it objectively exhibits determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare and when the cost of the repairs needed to bring the structure into local code compliance exceeds 75% of the estimated replacement value of the structure after the repairs have been done. (2)Affordable rents-Rents will be considered to be affordable for households earning no more than 80% of the area’s median income when the rent (including utilities) is no greater than 30% of the monthly income for a household (adjusted for household size) at 80% of the area’s median income. Rents will be considered to be affordable for households earning over 80% and up to 120% of the area’s median income when the rent (including utilities) is no greater than 30% of the monthly income for a household (adjusted for household size) at 120% of the area’s median income. (3)Continued Affordability-Homes assisted by NPS will remain affordable in accordance with minimum HOME program standards at 92.252(a), (c), (e), and (f) and 92.254. Homes utilizing NSP funding for down-payment assistance/home repairs will be required to remain affordable for ten years. This requirement will be imposed through the filing of a lien that will recapture the NSP assistance if the structure ceases to be the buyer’s primary residence or is sold. Homes that have been purchased, repaired and resold by a non-profit receiving NSP funding will be required to remain affordable for fifteen years. This requirement will be imposed by the ue of deed restrictions that will require that the housing be made available only to NSP-eligible buyers who will use the housing as their principal residence. (4)Housing Rehabards-For purposes of the funding associated with this Substantial Amendment, the County shall use the City of Dallas Minimum Housing Standards.

Low Income Targeting:

D. LOW INCOME TARGETING It is estimated that at least \$1,101,370 (or 25%) of the County’s NSP funding will be used to purchase and rehabilitate abandoned or foreclosed upon homes for households whose incomes do not exceed 50 percent of area median income. Funding equivalent to this amount will specifically be reserved only for households falling into this income group.

Acquisition and Relocation:

E. ACQUISITIONS & RELOCATION Dallas County will not be demolishing or converting any low- and moderate-income dwelling units with this funding.

Public Comment:

F. PUBLIC COMMENT On November 7, 2008, Dallas County began a public comment period on its proposed use of NSP funding that ran until November 24 on 4:00 p.m. This public comment period was announced on November 7 by the placing of a notice that included a description of the County’s proposed use of its NSP funding on the County’s website and in the Dallas Morning News. The County received two comments during this seventeen-day public comment period from the City of Balch Springs. On November 17, the City asked that \$50,000-\$100,000 be allocated for demolition activity within its cty and that it also be included with Duncanville, DeSoto, Lancaster, and Cedar Hill in the component that involves the direct acquisition, repair, and re-selling of foreclosehmsCutsafisusdthese suggestions with the City on November 18 and pointed out that while the City was experiencing an increase in foreclosures, it was not doing so on the same scale as the other four cities. In addition, the County also reminded the City that it currently already had \$30,000 budgeted in CDBG funding for demolition and that it could also reprogram another \$60,000 in CDBG funding for this purpose if it so desired. On November 21, the City informed the County that it would support what was then the proposed use of NSP funding and what are now the activities contained within this Substantial Amendment.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
BCKT	Bucket Project	NSP-2009-1	NSP-2009-1
		NSP-2009-2	NSP-2009-2

Activities

Grantee Activity Number: NSP-2009-1
Activity Title: NSP-2009-1

Activity Type:
 Homeownership Assistance to low- and moderate-income

Activity Status:
 Under Way

Project Number:
 BCKT

Project Title:
 Bucket Project

Projected Start Date:
 02/01/2009

Projected End Date:
 07/31/2010

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Total Budget, Program Funds: \$ 1,109,024.23
Other Funds Total: \$ 0.00
Total Funds Amount: \$ 1,109,024.23

Environmental Assessment:

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	10	8	2	100.00
# of Households	10	8	2	100.00

Proposed Accomplishments	Total
# of Housing Units	10

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:

The downpayment component of this activity will be administered by the County's Home Loan Counseling Center. The Home Repair component will be administered by the County's Replacement Housing Program.

Responsible Organization	Organization Type	Proposed
The downpayment component of this activity will be administered by the County's Home	Unknown	\$ 0.00

Location Description:

DeSoto: Target A: area bounded by Wintergreen on north, Sequoia/Polk on the east, Pleasant Run on the south and Bristol Trail/Westmoreland on the west. Target B: area bounded by Belt Line on the north, Polk on the east and City limits on the south and Cockrell Hill Rd. on the west. Duncanville: Area bounded by Wheatland on the north, the city limits on the east and south and Santa Fe Trail on the west. Cedar Hill: Area bounded by Belt Line on the north, Joe Wilson Rd. on the east, the city limits on the south and Hwy. 67 on the west. Lancaster: Area bounded by city limits on the north, Hwy. 342 on the east, Pleasant Run on the south, and the city limits on the west. Seagoville: Area extending one-mile from either side of Hwy. 175 from the city's western border to its eastern border. Balch Springs: Target A: the triangular area bounded by Eastgate, I-20 and I-635. Target B: area bounded by Bruton on the north, I-635 on the east, Lake June Road on the south and the City limits on the south. Sachse: The triangular area bounded by the Dallas County-line on the north, Murphy/Bunker Hill and Miles. Glenn Heights: The area bounded by the city limits on the north, I-35 on the east, Dallas County-line on the south and Westmoreland on the west. Farmers Branch: The area bounded by Belt Line on the north, Webb Chapel on the east, I-635 on the south and I-35 on the west. Coppell: The area bounded by the Dallas County line border on the north, the city limits on the east, Belt Line on the south and Denton Tap on the west.

Activity Description:

Assistance will be used by a non-profit (Dallas Area Habitat for Humanity) to purchase, rehabilitate, market and re-sell foreclosed properties. Habitat will directly originate the mortgages from its sources for the homes that are sold to households earning up to 80% of area median income; private lenders will be responsible for originating the loans for households earning 81%--120% of area median income. Assistance only to owner-occupant homebuyers, 15-year affordability period requirement, homebuyers must receive at least 8 hours of homeownership counseling. Eligible homes must have been constructed after 1978. Individual properties must be purchased at a minimum discount of at least 1% below the property's current market appraised value, and collectively, all of the properties acquired with County NSP funding under this or another activity must have been purchased at a minimum discount of at least 15%. Other activities that can be done includes 570.201 (a) housing acquisition, 570.201 (b) disposition, 570.201 (n) direct homeownership assistance and 570.202 rehabilitation. The activity will consist of the purchase, rehabilitation of residential structures in identified, targeted areas of the cities of Cedar Hill, Desoto, Duncanville and Lancaster, Texas.

Grantee Activity Number: NSP-2009-2
Activity Title: NSP-2009-2

Activity Type:
 Rehabilitation/reconstruction of residential structures

Activity Status:
 Under Way

Project Number:
 BCKT

Project Title:
 Bucket Project

Projected Start Date:
 02/01/2009

Projected End Date:
 07/31/2010

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget, Program Funds: \$ 3,296,457.77
Other Funds Total: \$ 0.00
Total Funds Amount: \$ 3,296,457.77

Environmental Assessment:
 COMPLETED

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	23		23	100.00
# of Households	23		23	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	23
# of Housing Units	23

Activity is being carried out by Grantee:
 No

Activity is being carried out through:

Organization carrying out Activity:

The activity to purchase homes, rehab and sell will be administered by Dallas Area Habitat for Humanity (a non-profit).

Activity:

Responsible Organization	Organization Type	Proposed
The activity to purchase homes, rehab and sell will be administered by Dallas Area Habitat	Unknown	\$ 4,405,482.00

Location Description:

DeSoto: Target A: Area bounded by Wintergreen on the north, Sequoia/Polk on the east, Pleasant Run on the south and Bristol Trail/Westmoreland on the west. Target B: Area bounded by Belt Line on the north, Polk on the east, the City limits on the south and Cockrell Hill Road on the west. Duncanville: Area bounded by Wheatland on the north, the city limits on the east and south, and Santa Fe Trail on the west. Cedar Hill: Area bounded by Belt Line on the north, Joe Wilson Rd. on the east, city limits on the south and Hwy. 67 on the west. Lancaster: Area bounded by the city limits on the north, Hwy 342 on the east, Pleasant Run on the south, and city limits on the west. Seagoville: Area extending one-mile from either side of Hwy. 175 from the city's western border to its eastern border. Balch Springs: Target A: the triangular area bounded by Eastgate, I-20 and I-636. Target B: area bounded by Bruton on the north, I-635 on the east, Lake June Road on the south, and the city limits on the south. Sachse: The triangular area bounded by the Dallas County-line on the north, Murphy/Bunker Hill and Miles. Glenn Heights: The area bounded by the city limits on the north, I-35 on the east, Dallas County-line on the south, and Westmoreland on the west. Farmers Branch: The area bounded by Belt Line on the north, Webb Chapel on the east, I-635 on the south, and I-35 on the west. Coppell: The area bounded by the Dallas County-line border on the north, the city limits on the east, Belt Line on the south, an Denton Tap on the west.

Activity Description:

Assistance will be used so that the non-profit will purchase, rehabilitate, market and re-sell foreclosed properties. The non-profit will directly originate the mortgages from its sources for the homes are sold to households earning up to 80% of area median income; private lenders will be responsible for originating the loans for households earning 81%-120% of area median income. Assistance only to owner-occupant homebuyers, 15-year affordability period requirement, homebuyers must receive at least 8 hours of homeownership counseling. Eligible homes must have been constructed after 1978. Individual properties must be purchased at a minimum discount of at least 5% below the property's current market appraised value, and collectively, all of the properties acquired with County NSP funding under this or another activity must have been purchased at a minimum discount of at least 15%. Other activities that can be done includes 570.201 (a) housing acquisition, 570.201 (b) disposition, 570.201 (n) direct homeownership assistance and 570.202 rehabilitation.

Action Plan Comments:

Reviewer - Amendment submitted by mistake. No changes made.

Reviewer - Reviewer Comment on Action Plan. Acceptable.

Reviewer - Reviewer Comment on Action Plan. Acceptable.

Reviewer - Reviewer Comment on Action Plan.

Recovery Needs Section: Input the priority geographic areas of greatest need as described in the NSP Substantial Amendment.

Reviewer - Reviewer Comment on Action Plan. Needs Modification ζ Disaster Damage Section: Input basic NSP information, e.g., NSP funds authorized by the Housing and Economic Recovery Act of 2008 (HERA) for emergency assistance for redevelopment of abandoned and foreclosed homes and residential properties. Recovery Needs Section: Input the priority geographic areas of greatest need as described in the NSP Substantial Amendment.

Comment Only ζ Recovery Needs Section: Future additional guidance may require input of information from the approved NSP Substantial Amendment narrative: A. Areas of Greatest Need, B. Distribution and Uses of Funds, C. Definitions and Descriptions, D. Low Income Targeting, E. Acquisition and Relocation, and F. Public Comment. Activity Section: Future additional guidance may require that each activity be broken out by each different NSP national objective, activity type, and responsible organization, and in order to track the 25 percent set-aside. Performance measures, budgets, etc. for each separate activity may also have to be modified.

Action Plan History

Version

B-08-UN-48-0001 AP#1

Date

11/01/2010