

Action Plan

Grantee: Mesquite, TX

Grant: B-08-MN-48-0007

LOCCS Authorized Amount:	\$ 2,083,933.00
Grant Award Amount:	\$ 2,083,933.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 2,087,316.31
Total Budget:	\$ 4,171,249.31

Funding Sources

Funding Source	Funding Type
NSP Funds	Other Federal Funds

Narratives

Areas of Greatest Need:

The City will focus on four targeted neighborhoods and surrounding areas with foreclosure risk scores of 7, 8, 9 or 10 (Casa View Heights, Truman Heights, Mesquite Park, and Sherwood Forest) and an area of Creek Crossing. Specifically, the City will focus NSP efforts on the following census tracts/block groups: Casa View Heights: 179.011, 179.002, 179.003, 179.004, 179.005 (Risk Score: 9) Truman Heights: 177.021, 177.022, 177.023 (Risk Score: 8) Mesquite Park: 174.001, 174.002, 174.003, 174.004 (Risk Score: 9) Sherwood Forest: 176.031, 176.032, 176.033 (Risk Score: 10) Creek Crossing: 173.061, 173.062 (Risk Score: 9) and 173.041, 173.042, 173.043, 173.051, 173.052 (Risk Score: 7).

Distribution and Uses of Funds:

B. DISTRIBUTION AND USES OF FUNDS Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. Note: The grantee's narrative must address these three stipulated need categories in the NSP statute, but the grantee may also consider other need categories. Response: The City will distribute funds to areas where properties meeting NSP requirements can be found. Activities will include purchasing, rehabilitating, demolishing/rebuilding vacant/foreclosed homes which will be made available to qualifying low- to middle-income residents. The City will focus on four targeted neighborhoods and surrounding areas with foreclosure risk scores of 8, 9 or 10 (Casa View Heights, Truman Heights, Mesquite Park, and Sherwood Forest) and an area of Creek Crossing. Creek Crossing has newer housing and these homes are more likely to have been recently purchased with sub-prime mortgages and is likely to face a significant rise in the rate of home foreclosures. Creek Crossing is a NSP candidate due to need of property value stabilization. Since long-term home vacancies attract crime and create slum/blight the City is hoping to avert this by providing NSP assistance.

Definitions and Descriptions:

DEFINITIONS AND DESCRIPTIONS

- 1) Definition of "blighted structure" in context of state or local law. Response: The City of Mesquite has adopted the definition of "blighted structure" as written in the October 8, 2008 Federal Register: "A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare."
- (2) Definition of "affordable rents." Note: Grantees may use the definition they have adopted for their CDBG program but should review their existing definition to ensure compliance with NSP program –specific requirements such as continued affordability. Response: The City of Mesquite has adopted the HOME program standard of "affordable rents" at 24 CFR 92.252(a), (c), (e) and (f).



(3) Describe how the grantee will ensure continued affordability for NSP assisted housing. Response: The City of Mesquite will ensure continued affordability for NSP assisted housing by adopting the minimum period of affordability of the HOME program standards at 92.252(a), (c), (e) and (f) and 92.254. The minimum period of affordability based on investment of NSP funds is as follows: Under \$15,000 the affordability period is 5 years \$15,000 to \$40,000 the affordability period is 10 years Over \$40,000 the affordability period is 15 years (4) Describe housing rehabilitation standards that will apply to NSP assisted activities. Response: All NSP assisted housing rehabilitation activities will comply with Housing Quality Standards and City of Mesquite building codes.

Low Income Targeting:

LOW INCOME TARGETING

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income: \$520,984.00. Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income. Response: The City of Mesquite will use \$520,984.00 (25% of the City's \$2,083,933.48 grant) of its NSP grant to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50% of AMI.

Acquisition and Relocation:

ACQUISITION & RELOCATION

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units (i.e., 80% of area median income). If so, include: • The number of low- and moderate-income dwelling units—i.e., 80% of area median income—reasonably expected to be demolished or converted as a direct result of NSP-assisted activities. • The number of NSP affordable housing units made available to low-, moderate-, and middle-income households—i.e., 120% of area median income—reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion). • The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

Response: Over a period of eighteen months the City of Mesquite will purchase at least 3 vacant lots or vacant foreclosed homes in extremely poor condition. If any of the properties are objectively determined to meet the definition of blight (as set forth earlier in this amendment), the structures on those properties will be demolished and new structures will be constructed in their place and sold to buyers whose total household income does not exceed 50% of the AMI for Dallas County. These houses may be constructed and sold in a manner similar to the Habitat for Humanity project. If the properties purchased do not meet the objective criteria for demolition under the City's adopted definition of blight, the properties will be rehabilitated and designated for subsequent resale to buyers whose total household income does not exceed 50% of the AMI for Dallas County. Program income derived from the sale of these properties will be reinvested in acquiring additional foreclosed properties. These properties may be located in any or all of the targeted neighborhoods.

The City will also purchase and rehabilitate at least 8 homes in areas where foreclosures are highest and lower housing values will impact the surrounding area. These rehabilitated homes will then be sold to buyers whose total combined household income does not exceed 120% AMI. Program income generated from home sales will be reinvested into the Purchase/Remodel/Sell Program in the same defined areas. Homes must be purchased at a discount of at least 1% below market value as determined by a URA-compliant appraisal of the property. The City will maintain the property until sold. The sale price of the property will not exceed the purchase price plus the cost of rehabilitation of the property.

To the extent practical, the City of Mesquite will avoid the involuntary displacement of the residents of any residential household. However, if an involuntary displacement should occur, the City will provide housing referral assistance and will, if required, make relocation assistance payments in accordance with local, state and federal law.

Public Comment:

PUBLIC COMMENT

Provide a summary of public comments received to the proposed NSP Substantial Amendment. Response: The City of Mesquite posted a preliminary NSP budget in the Mesquite News on October 24, 2008. A Public Hearing was held on November 3, 2008. No comments were received at the hearing or otherwise. The City posted a draft of the NSP Substantial Amendment on the City's website November 14, 2008. No comments, either oral or written, were received.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
BCKT	Bucket Project	1	NSP Grant Administration
		2	Purchase/Remodel/Sell Program
		4	50% AMI Program
		6	Demo/Rebuild
DELETED-ACTIVITIES	DELETED-ACTIVITIES (Temporary)	3-11282018181653	Purchase/Demolish/Rebuild Program

Activities

Project # / BCKT / Bucket Project

Grantee Activity Number: 1
Activity Title: NSP Grant Administration

Activity Type:

Administration

Project Number:

BCKT

Projected Start Date:

04/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

Bucket Project

Projected End Date:

05/30/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 326,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 326,000.00

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Mesquite

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Mesquite

Organization Type

Unknown

Proposed Budget

\$ 326,000.00



Location Description:

1616 N. Galloway, Mesquite, TX 75149

Activity Description:

To administer the NSP grant for the City of Mesquite

Environmental Assessment: EXEMPT

Environmental None

Activity Supporting Documents

Document MESQUITE PI TRANSFER APPROVAL 6-24-2020.pdf

Document NSP Financials through 10-29-2019-2.pdf

Document NSP Status Report 11.4.2019.pdf



Grantee Activity Number: 2
Activity Title: Purchase/Remodel/Sell Program

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 BCKT

Projected Start Date:
 03/20/2009

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

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

Activity Status:
 Under Way

Project Title:
 Bucket Project

Projected End Date:
 05/30/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 2,136,595.82

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 2,136,595.82

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	14		4	28.57
# of Households	14		4	28.57

Proposed Accomplishments	Total
# of Singlefamily Units	14
# of Housing Units	14
# of Properties	14

Activity is being carried out by
 Yes

Activity is being carried out through:
 Grantee Employees and Contractors

Organization carrying out Activity:
 City of Mesquite

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Mesquite	Unknown	\$ 2,136,595.82



Location Description:

The Creek Crossing neighborhood (173.061, 173.062, 173.041, 173.042, 173.043, 173.051, 173.052) will be the primary target for the funds due to the high number of foreclosed properties concentrated in this area.

Activity Description:

This activity will carry out the CDBG-eligible activities 570.201(a) Acquisition, 570.201(b) Disposition, and 570.202 Rehabilitation. The City will purchase and remodel at least 8 homes in a targeted area where foreclosures are highest and lower housing values will impact the surrounding area. These homes will then be sold to families meeting the 120% AMI or below income range. Income generated from home sales will be reinvested into the Purchase/Remodel/Sell Program in the same defined area. Homes will be purchased at least 1% below market value as determined via a URA-compliant appraisal. The City will maintain the property until sold. The sale price of the of the properties will not exceed the City's costs for acquiring and rehabilitating the homes.

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number: 4
Activity Title: 50% AMI Program

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 BCKT

Projected Start Date:
 03/20/2009

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

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

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 Bucket Project

Projected End Date:
 05/30/2019

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 793,305.02

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 793,305.02

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	6	3		50.00
# of Households	6	3		50.00

Proposed Accomplishments

	Total
# of Singlefamily Units	6
# of Housing Units	6
# ELI Households (0-30% AMI)	6
# of Properties	6

Activity is being carried out by
 Yes

Activity is being carried out through:
 Grantee Employees and Contractors

Organization carrying out Activity:
 City of Mesquite

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Mesquite	Unknown	\$ 793,305.02



Location Description:

Mesquite Park (174.001, 174.002, 174.003, 174.004) Sherwood Forest (176.031, 176.032, 176.033) Casa View Heights (179.011, 179.002, 179.003, 179.004, 179.005) Truman Heights (177.021, 177.022, 177.023)

Activity Description:

This activity will include the CDBG-eligible activities 570.201(a) Acquisition, 570.201(b) Disposition, and 570.202 Rehabilitation. The City currently has an inventory of four homes and is looking into all possibilities to rehabilitate and dispose of the properties.

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number: 6
Activity Title: Demo/Rebuild

Activity Type:
 Construction of new housing

Project Number:
 BCKT

Projected Start Date:
 01/01/2019

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

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

Benefit Report Type:
 Direct (Households)

Activity Status:
 Under Way

Project Title:
 Bucket Project

Projected End Date:
 08/30/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 507,067.84

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 507,067.84

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	2	2		100.00
# of Households	2	2		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	2
# of Housing Units	2

Activity is being carried out by
 Yes

Activity is being carried out through:
 Grantee Employees and Contractors

Organization carrying out Activity:
 City of Mesquite

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Mesquite	Unknown	\$ 507,067.84



Location Description:

City of Mesquite, Texas

Activity Description:

City of Mesquite, acquired and demolished two blighted properties and will add new construction to the current lots to serve low income residents.

Environmental Assessment: COMPLETED

Environmental None

Project # / DELETED-ACTIVITIES / DELETED-ACTIVITIES (Temporary)

Grantee Activity Number: 3-11282018181653
Activity Title: Purchase/Demolish/Rebuild Program

Activity Type:
Construction of new housing

Project Number:
DELETED-ACTIVITIES

Projected Start Date:
04/01/2009

Project Draw Block by HUD:

Activity Draw Block by HUD:
Not Blocked

Block Drawdown By Grantee:
Not Blocked

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

Benefit Report Type:
Direct (Households)

Activity Status:
Cancelled
Project Title:
DELETED-ACTIVITIES (Temporary)
Projected End Date:
09/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 0.00



Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Households	3	3		100.00

Proposed Accomplishments	Total
# of Housing Units	3

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Mesquite

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Mesquite	Unknown	\$ 0.00

Funding Source Name	Matching Funds	Funding Amount
NSP Funds	No	\$ 0.00

Location Description:

Mesquite Park (174.001, 174.002, 174.003, 174.004) Sherwood Forest (176.031, 176.032, 176.033) Casa View Heights (179.011, 179.002, 179.003, 179.004, 179.005) Truman Heights (177.021, 177.022, 177.023)

Activity Description:

This activity will include CDBG-eligible activities 570.201(a) Acquisition, 570.201(b) Disposition, 570.201(d) Clearance, and 570.202 Rehabilitation. The City will purchase at or below 10% of market value 3-4 vacant lots or foreclosed homes in extremely poor condition. Properties will be demolished and 3-4 new structures will be constructed. Income from the program will be reinvested in acquiring additional foreclosed properties. The City will seek a partnership with a non-profit entity experienced in building new affordable housing. These properties may be located in any of the designated target neighborhoods and it is anticipated that eligible buyers' income will be in the 50% AMI level or lower.

Environmental Assessment:

Environmental None

Action Plan Comments:

Roy, Mark Reviewer Comment on Action Plan. Needs Modification & 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 *z* 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.

Roy, Mark Reviewer Comment on Action Plan. Acceptable.

Roy, Mark Reviewer Comment on Action Plan. Acceptable.

Bedford, Budgets adjusted to account for PI.

Carreras, Acceptable.

Carreras, Grantee initiated an amendment to the Action Plan in error. Plan reapproved.

Carreras, Grantee had no changes.

Carreras, Budget revisions acceptable. Grantee has been working with the NSP TA helpdesk to assist in reconciling the NSP grant fund expenditures and program income.

Carreras, Amendment is the result of City staff working with the NSP TA provider to correct budgeted amounts and for remaining budget transactions. No change in type of NSP activities funded.

Action Plan History

Version	Date
B-08-MN-48-0007 AP#1	07/30/2010
B-08-MN-48-0007 AP#2	10/28/2010
B-08-MN-48-0007 AP#3	03/22/2012
B-08-MN-48-0007 AP#4	07/30/2015
B-08-MN-48-0007 AP#5	10/29/2015
B-08-MN-48-0007 AP#6	03/28/2019
B-08-MN-48-0007 AP#7	03/29/2019
B-08-MN-48-0007 AP#8	04/03/2019
B-08-MN-48-0007 AP#9	02/07/2020
B-08-MN-48-0007 AP#10	05/20/2020

