

Action Plan

Grantee: Harris County, TX

Grant: B-11-UN-48-0401

LOCCS Authorized Amount:	\$ 1,925,917.00
Grant Award Amount:	\$ 1,925,917.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 3,500,000.00
Total Budget:	\$ 5,425,917.00

Funding Sources

No Funding Sources Found

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. As of August 30, 2012, HUD approve amendments to the Action Plan to allow funding from 2011-0059 (Multifamily Acquisition and Redevelopment) in the amount of \$481,479.25 to be reallocated to 2011-0058 (Single Family Acquisition, Rehab and Disposition) to benefit 50% and below AMI. The amendment also included the addition of the entire Census Tract 482012407, and the addition of three others; 482015504, 482012323, 482012324. Amendment to Create an NSP III Revolving Loan Fund (June 15, 2015) In an effort to bring the NSP 3 to a close and assist grantees to draw down any remaining funds from the original line of credit, HUD suggests establishing a Revolving Loan Fund (RLF) account to deposit the proceeds from the sale of properties. Otherwise the proceeds from NSP 3 properties are considered program income thereby hindering a grantees ability to draw down funds and close the line of credit and program. For establishing a RLF account in NSP 3 the "NSP Policy Alert Guidance on Revolving Funds Under NSP" dated August 20, 2012, and amendment process per the "NSP Policy Alert Guidance on Amendment Procedures" dated April 3, 2014 were followed. A public notice was posted in the Houston Chronicle newspaper on May 23, 2015, as evidenced by an affidavit from the Houston Chronicle confirming the posting dated May 23, 2015. The public notice was also posted on the Harris County Community Services Department Website on May 23, 2015. No public comment was received. The existing Single Family Acquisitions, Rehab and Disposition Project# C2011-0058 is being converted to a RLF in DRGR. Guidance for converting existing projects into RLF projects is provided in the attached "DRGR Fact Sheet: Setting up Revolving Loan Funds and Program Income Accounts". Grantees are able to designate an existing project as an RLF. Excerpt from the May 23, 2015 Public Notice regarding NSP 3: NSP I and NSP III Funding: On April 13, 2009, HUD accepted Harris County's Amendment to the 2008-2012 Consolidated Plan's 2008 Annual Action Plan (Amendment) detailing the plan for Harris County's Neighborhood Stabilization Program I (Countywide) and on March 22, 2011, HUD accepted Harris County's Amendment to the 2010 Annual Action Plan (Amendment) detailing the plan for Harris County's Neighborhood Stabilization Program III (Countywide) to fund projects that will stabilize neighborhoods across the area through acquisition and rehabilitation of foreclosed properties that would become sources of abandonment and blight within the community. Since the submission, Harris County recognized changes



that could be made to the Amendment that would better facilitate t

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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Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
2011-0062-0001 (RLF)	Single Family Acquisitions	C2011-0062-0001	RLF - NSP3
9999	Restricted Balance	<i>No activities in this project</i>	
C2011-0057 (RLF)	LH25 Acquisition	C2011-0057	LH-25 Acquisition
C2011-0058	Single Family Acquisition, Rehab	C2011-0058	Single Family Acquisition, Rehab and Disposition
C2011-0058-9999	Project Delivery	C2011-0058-9999	Project Delivery
C2011-0059	Multifamily Acquisition and	<i>No activities in this project</i>	
C2011-0060	NSP3 Administration	C2011-0060	NSP3 Administration
C2011-0062 (RLF)	RLF - NSP 3 (RLF) Administration	C2011-00062	Admin - RLF
C2011-0062-9999 (RLF)	Project Delivery	C2011-0062-9999	Project Delivery RLF - NSP3



Activities

Project # / 2011-0062-0001 / Single Family Acquisitions (RLF)

Grantee Activity Number: C2011-0062-0001
Activity Title: RLF - NSP3

Activity Type:

Acquisition - general

Project Number:

2011-0062-0001 (RLF)

Projected Start Date:

06/15/2015

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:

Single Family Acquisitions

Projected End Date:

06/25/2025

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 410,285.63

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 410,285.63

Benefit Report Type:

NA

Proposed Accomplishments

Total

of Singlefamily Units

2

of Multifamily Units

1

of Housing Units

3

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
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Location Description:

Activity Description:

Environmental Assessment:

Environmental None

Project # / C2011-0057 / LH25 Acquisition (RLF)

Grantee Activity Number: C2011-0057
Activity Title: LH-25 Acquisition

Activity Type:
Acquisition - general

Project Number:
C2011-0057 (RLF)

Projected Start Date:
04/01/2011

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:
NA

Activity Status:
Under Way

Project Title:
LH25 Acquisition

Projected End Date:
03/31/2025

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,000,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,000,000.00



Proposed Accomplishments

Total

of Singlefamily Units
of Multifamily Units
of Housing Units

8

8

Activity is being carried out by

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 1,000,000.00

Location Description:

Activity Description:

Environmental Assessment: COMPLETED

Environmental None

Project # / C2011-0058 / Single Family Acquisition, Rehab and

Grantee Activity Number: C2011-0058
Activity Title: Single Family Acquisition, Rehab and Disposition

Activity Type:
Acquisition - general

Project Number:
C2011-0058

Activity Status:

Under Way

Project Title:

Single Family Acquisition, Rehab and



Projected Start Date:

04/01/2011

Projected End Date:

12/31/2025

Project Draw Block by HUD:

Not Blocked

Project Draw Block Date by HUD:**Activity Draw Block by HUD:**

Not Blocked

Activity Draw Block Date by HUD:**Block Drawdown By Grantee:**

Not Blocked

Total Budget:

\$ 2,774,006.30

National Objective:

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

Most Impacted and Distressed Budget:

\$ 0.00

Other Funds:

\$ 0.00

Total Funds:

\$ 2,774,006.30

Benefit Report Type:

NA

Proposed Accomplishments**Total**

of Singlefamily Units

10

of Housing Units

10

of Properties

10

Activity is being carried out by

No

Activity is being carried out through:**Organization carrying out Activity:**

Harris County2

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 2,774,006.30

Location Description:

North Central Harris County, between I-45 on the West and the Hardy Toll Road to the East and Rankin Road to the south in the Remington Ranch, Imperial Trace and Meadowview Farms subdivisions. Census Tract include 482012407, 4820, 15504, 482012323, and 482012324. The amendment to the Action Plan approved August 30, 2012 included the addition of the entire Census Tract 482012407, and the addition of three others; 482015504, 482012323, 482012324.

Activity Description:

The Single Family Housing and Rehabilitation program under NSP3 will stabilize housing in a concentrated area of Harris County, while extending homeownership opportunities to LMMI beneficiaries. Harris County proposes to acquire foreclosed properties and hire contractor to perform rehabilitation. All potential homebuyers must qualify for fixed rate mortgage loan and be income eligible as determined by "Part 5 income definition" found in 24 CFR 5.609. Affordability period will be determined by the amount of assistance provided and as outlined in



this Amendment to the Action Plan. Harris County will ensure affordability by placing a lien on the property in the form of a forgivable loan.

As of August 30, 2012, HUD approve amendments to the Action Plan to allow funding from 2011-0059 (Multifamily Acquisition and Redevelopment) in the amount of \$481,479.25 to be reallocated to 2011-0058 (Single Family Acquisition, Rehab and Disposition) to benefit 50% and below AMI.

1) Increased estimated PI/RL Funds from \$700,555.42 to \$1,388,151.11 as a result of additional program income. A change of \$687,595.69.

2) Increased Project #C2011-0058 (Single Family Acquisition, Rehab and Disposition Program) from \$2,433,448.43 to \$2,774,006.30 as a result of additional program income. A change of \$340,557.87.

3) Increased Project #C2011-0058-9999 (Project Delivery) from \$432.29 to \$208,655.00 as a result of additional program income. A change of \$208,223.00.

4) Increased Project #2011-0060 (NSP3 Administration) from \$192,591.70 to \$331,406.81 as a result of additional program income. A change of \$138,406.81.

Environmental Assessment:

Environmental None

Project # / C2011-0058-9999 / Project Delivery

Grantee Activity Number: C2011-0058-9999
Activity Title: Project Delivery

Activity Type:
Acquisition - general

Project Number:
C2011-0058-9999

Projected Start Date:
04/01/2011

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:
Project Delivery

Projected End Date:
12/31/2025

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 233,812.16

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 233,812.16

Benefit Report Type:

NA

Proposed Accomplishments

Total

of Singlefamily Units

10

of Housing Units

10

of Properties

10

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 233,812.16

Location Description:

NSP 3 Service Area

Activity Description:

Project Delivery

Environmental Assessment: EXEMPT

Environmental None

Project # / C2011-0060 / NSP3 Administration

Grantee Activity Number: C2011-0060

Activity Title: NSP3 Administration

Activity Type:

Administration

Activity Status:

Under Way



Project Number:

C2011-0060

Projected Start Date:

04/01/2011

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

Project Title:

NSP3 Administration

Projected End Date:

12/31/2025

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:****Total Budget:** \$ 306,249.65**Most Impacted and Distressed Budget:** \$ 0.00**Other Funds:** \$ 0.00**Total Funds:** \$ 306,249.65**Activity is being carried out by**

No

Activity is being carried out through:**Organization carrying out Activity:**

Harris County2

Proposed budgets for organizations carrying out Activity:**Responsible Organization**

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 306,249.65

Location Description:

n/a

Activity Description:

Program administration costs related to project selection and oversight on all activities funded through the NSP3.



Environmental Assessment:

Environmental None

Project # / C2011-0062 / RLF - NSP 3 (RLF) Administration (RLF)

Grantee Activity Number: **C2011-00062**
Activity Title: **Admin - RLF**

Activity Type:

Administration

Project Number:

C2011-0062 (RLF)

Projected Start Date:

06/15/2015

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

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

RLF - NSP 3 (RLF) Administration

Projected End Date:

06/25/2025

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 58,612.23

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 58,612.23



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 58,612.23

Location Description:

Activity Description:

Environmental Assessment:

Environmental

None

Project # / C2011-0062-9999 / Project Delivery (RLF)

Grantee Activity Number: C2011-0062-9999

Activity Title: Project Delivery RLF - NSP3

Activity Type:

Acquisition - general

Activity Status:

Under Way

Project Number:

C2011-0062-9999 (RLF)

Project Title:

Project Delivery

Projected Start Date:

06/15/2015

Projected End Date:

06/25/2025

Project Draw Block by HUD:

Not Blocked

Project Draw Block Date by HUD:

Activity Draw Block by HUD:

Not Blocked

Activity Draw Block Date by HUD:

Block Drawdown By Grantee:

Not Blocked

Total Budget:

\$ 117,224.47



National Objective:

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

Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 0.00
Total Funds:	\$ 117,224.47

Benefit Report Type:

NA

Proposed Accomplishments

	Total
# of Singlefamily Units	2
# of Multifamily Units	1
# of Housing Units	3

Activity is being carried out by

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Harris County2

Organization Type

Local Government

Proposed Budget

\$ 117,224.47

Location Description:

Activity Description:

Environmental Assessment:

Environmental None

Project # / **N/A**

Grantee Activity Number: **C2011-0059-05262020172907**



Activity Title: Multifamily Acquisition and Redevelopment

Activity Type:
Acquisition - general

Project Number:

Projected Start Date:
04/01/2011

Project Draw Block by HUD:

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:
NA

Activity Status:
Cancelled

Project Title:

Projected End Date:
03/31/2013

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 Accomplishments

of Multifamily Units
of Housing Units
of Properties

Total
88
88
1

Activity is being carried out by
No

Activity is being carried out through:

Organization carrying out Activity:
Harris County2

Proposed budgets for organizations carrying out Activity:

Responsible Organization
Harris County2

Organization Type	Proposed Budget
Local Government	\$ 0.00

Location Description:



The property is located in the Census Tract 482015504.001 in Northwest Harris County near the intersection of FM 1960 and Kuykendahl.

Activity Description:

The multifamily housing program under NSP 3 will stabilize housing in Harris County through the redevelopment of a foreclosed upon and vacant property into affordable, multi-family housing. This project will directly benefit low-income residents of Harris County by expanding the stock of affordable rental housing. Benefits to renters will continue as long as a resident is income eligible. The requirements of the property owner and manager will depend on the total NSP subsidy to the project and will comply with the affordability period established in the Action Plan. Benefits to renters will comply with NSP Rent Schedule and will not to exceed 30% of renter income. Harris County will advertise heavily in the areas where the project will take place to encourage hiring and contracting with small businesses from the vicinity. In the census tract where the proposed project is located, Harris County compared the concentration of single family units to rental units. Based on this analysis, redevelopment of the abandoned property to establish affordable rental housing was given preference.

As of August 30, 2012, HUD approve amendments to the Action Plan to allow funding from 2011-0059 (Multifamily Acquisition and Redevelopment) in the amount of \$481,479.25 to be reallocated to 2011-0058 (Single Family Acquisition, Rehab and Disposition) to benefit 50% and below AMI. The amendment also included the addition of the entire Census Tract 482012407, and the addition of three others; 482015504, 482012323, 482012324.

Environmental Assessment:

Environmental None

Action Plan Comments:

Young, Joyce Proposed changes to the 25% requirement has been discussed. Grantee has also requested to seek out additional zip codes from the mapping. Request will be submitted to HUD for any substantial amendments.

Young, Joyce Per grantee's request, report is incomplete.

Young, Joyce grantee has updated plan to reflect program income

Young, Joyce Spending for NSP 3 completed in March 2014 as required. Projects designed for the 0 -50% clients. Program Income earned.

Young, Joyce Action Plan updated to reflect program income only.

Young, Joyce Budget revised to reflect Program Income

Young, Joyce Action Plan amendment revolving loan funds requires revisions



Young, Joyce The grantee has submitted the Action Plan amendment in accordance with amendment process per the ¿NSP Policy Alert Guidance on Amendment Procedures¿ dated April 3, 2014 . An RLF account has been established in NSP 3 in accordance with the ¿NSP Policy Alert Guidance on Revolving Funds Under NSP¿ dated August 20, 2012.

Cuddeback, Please add details of amendment - thank you

Cuddeback, Details added as requested

Young, Joyce Unable to access, error message stating could not access query delayed approval of the action plan. Bypassed message and completed approval using specific grant information. DRGR Help contacted

Young, Joyce The grantee has added a new project to meet the LH25 requirement.

Young, Joyce The grantee has added projects to comply with the LH25 requirements and to meet closeout requirements.

Action Plan History

Version	Date
B-11-UN-48-0401 AP#1	09/14/2011
B-11-UN-48-0401 AP#2	10/17/2012
B-11-UN-48-0401 AP#3	01/28/2013
B-11-UN-48-0401 AP#4	12/12/2013
B-11-UN-48-0401 AP#5	12/16/2013
B-11-UN-48-0401 AP#6	04/30/2014
B-11-UN-48-0401 AP#7	07/29/2014
B-11-UN-48-0401 AP#8	11/24/2014
B-11-UN-48-0401 AP#9	12/02/2014
B-11-UN-48-0401 AP#10	07/06/2015
B-11-UN-48-0401 AP#11	07/13/2015
B-11-UN-48-0401 AP#12	04/06/2016
B-11-UN-48-0401 AP#13	06/29/2018
B-11-UN-48-0401 AP#14	02/20/2019
B-11-UN-48-0401 AP#15	10/31/2019
B-11-UN-48-0401 AP#16	05/07/2020
B-11-UN-48-0401 AP#17	05/15/2020
B-11-UN-48-0401 AP#18	06/12/2020

