

Action Plan

Grantee: Houston, TX

Grant: B-11-MN-48-0400

LOCCS Authorized Amount:	\$ 3,389,035.00
Grant Award Amount:	\$ 3,389,035.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,289,399.14
Total Budget:	\$ 4,678,434.14

Funding Sources

Funding Source	Funding Type
NSP3	Other Federal Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

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 using the NSP 3 mapping tool areas with a score of seventeen or higher were included in the current NSP 3 Target Zones, this data was determined by, numbers of REO (real estate owned) properties by lenders, and data provided by HUD regarding risk of foreclosure and relative levels of subprime lending. Based upon the data found in the Target Zones, HCDD decided to implement the following four activities or programs: 1. \$338,000 for administrative use 2. \$1,713,035 for acquisition, rehabilitation and redevelopment of single family homes to benefit households at or below 80-120% of AMI. 3. one multi-family unit acquired and rehabilitated for \$1,000,000 to be conveyed to qualified third parties to construct up to 200 units with 25% being rented to households earning less than 50% of AMI in order to satisfy the set aside requirements. 4. \$338,000 will be used for demolition.

*City of Houston added \$915,115.45 of Program Income for NSP3. Added 10% of the previously stated Program Income (\$91,511.54) to Administrative Cost. A new activity will be created for Mayberry Homes with a budget amount of \$643,135.07.

*Total Program Income earned as of 12/31/2016 \$1,289,399.14 for NSP3.

How Fund Use Addresses Market Conditions:

Using the HUD mapping tool, the City of Houston (the "City") ensured that the areas of greatest need identified on the NSP Map had a minimum foreclosure score of 17 (State of Texas has an overall foreclosure score of 16) or above. The City overlaid the flood plain map to ensure that it will not fund projects in target areas that are located in the flood plain. The City has acknowledged the current market conditions and identified areas within those communities whose homes may start decreasing in value due to high rates of foreclosures in the communities surrounding these areas. The City has determined that its areas of greatest need include most, if not all, of the areas with the highest percentages of homes financed by subprime mortgage related loans.

The preservation of vacant, abandoned and foreclosed housing and the provision of subsidized housing opportunities for households at or below 120% of area median income will result in increased home values and improved neighborhood conditions.



Ensuring Continued Affordability:

The City has adopted the HOME Program affordability standards to meet the continued affordability standards of the Neighborhood Stabilization Program (“NSP”). Utilizing these standards, the City will ensure that all NSP3-assisted housing remains affordable to individuals or families whose incomes do not exceed 120 percent of area median income. These standards require that rental and homeownership housing must remain affordable for 5 to 20 years, depending on the amount of NSP3 funds invested in the housing unit. Long]term affordability will be enforced through rental and deed restrictions, including resale/recapture provisions. The City shall ensure, to the maximum extent practicable and for the longest feasible term, that the redevelopment of abandoned and /or foreclosed upon residential properties remains affordable.

Definition of Blighted Structure:

Blighted Structure - A residential or commercial building that exhibits an extensive level of physical decline or decay, as further defined in the City of Houston's ordinances at the following link:
http://library.municode.com/HTML/10123/level3/COOR_CH10BUNEPR_ARTXIVABUNVIBL.html

Definition of Affordable Rents:

The city will identify areas of foreclosed abandoned and vacant properties that can be used to provide greatest impact in communities hit the hardest by foreclosures.

HOME program's definition of affordable rents will be used for projects funded by the City of Houston HCDD NSP3. These are updated annually by the U.S. Department of Housing and Urban Development. HOME Program rent limits are available at www.hud.gov.

Housing Rehabilitation/New Construction Standards:

The City is will utilize the following building standards to govern single family or multi-family dwellings purchased and/or rehabilitated/constructed through the NSP program :

1. The City of Houston's current property rehabilitation standards for single and multifamily rehabilitation projects.
2. The City of Houston's Local Maintenance and Building Code
3. Section 8 Housing Quality Standards
4. The Energy Standards for New Homes and Model Energy Code
5. ANSI Standards for handicap accessibility

HUD Guidelines for the Evaluation and Control of Lead Based Paint Hazards in Housing.

Vicinity Hiring:

The City of Houston shall, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity of NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of such project. The City will achieve this by including such requirements in NSP agreements with developers and subrecipient; require developers and subrecipients to include plans for vicinity hiring in proposals for funding; and will establish a periodic reporting system including back up documentation from developers and subrecipients to ensure that those requirements are met. The City will also work through community based workforce development organizations to identify opportunities for vicinity hiring compliance and match these with NSP developers and subrecipients.

Procedures for Preferences for Affordable Rental Dev.:

The City of Houston HCDD certifies that it will be abide by the procedures described in its NSP3 Abbreviated Plan to create preferences for the development of affordable rental housing for properties assisted with NSP3 funds.

Grantee Contact Information:

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832-394-6223

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
04-Demo	Demolition	04-11K90	Demolition and Land Bank	
14G-AQU-SF	Single Family Acquisition and	14A-11H16	Mayberry Homes-LH25 Set Aside	
		14A-11H16A	Mayberry Homes-LMMI	
		14G-11H10	Mayberry SF A/R LMMI	
		14G-11H11	Mayberry SF A/R LH25	
		14G-11H13	Tejano SF A/R LMMI	



		SDF-11SH09	Mayberry Homes(2) - LMMI
		SFD-11SH09A	Mayberry Homes(2) - LH25
21A-11A01	Program Administration	21A-11A01-101	Set Aside
9999	Restricted Balance		Program Administration
			<i>No activities in this project</i>



Activities

Project # / 04-Demo / Demolition

Grantee Activity Number: 04-11K90
Activity Title: Demolition and Land Bank

Activity Type:
Clearance and Demolition

Project Number:
04-Demo

Projected Start Date:
08/01/2011

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

Benefit Report Type:
Area Benefit (Census)

Activity Status:
Under Way

Project Title:
Demolition

Projected End Date:
08/01/2015

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 840,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 840,000.00

Proposed Accomplishments

	Total
# of Singlefamily Units	39
# of Multifamily Units	1
# of Housing Units	40
Activity funds eligible for DREF (Ike Only)	
# of Non-business Organizations benefitting	
# of Businesses	
# of public facilities	
# of buildings (non-residential)	1
# of Properties	39

LMI%:



Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Houston Housing and Community Development

Organization Type

Unknown

Proposed Budget

\$ 840,000.00

Funding Source Name

NSP3

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

NSP identified target zones.

Activity Description:

The City will establish a land bank through a governmental entity or nonprofit entity at least in part, to assemble, temporarily manage, and dispose of homes or residential properties that have been foreclosed upon for the purpose of stabilizing neighborhoods and encouraging re-use or redevelopment of said properties. The land bank will operate in specific, defined geographic area as a part of the larger NSP target areas. The City may demolish a structure on a property that it will land bank. HCDD will work with developers and subrecipients to insure that any displacement that results from this activity will comply with URA.

If the City establishes the land bank as a governmental entity, it may also maintain each such foreclosed property that it does not own, provided it charges the owner of each such property the full cost of each of the demolition and maintenance service or places a lien on the property for the full cost of each such service. The City with the governmental entity or the nonprofit entity will develop a plan that will develop each such property for acceptable use within ten years.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / 14G-AQU-SF / Single Family Acquisition and Rehab



Grantee Activity Number: 14A-11H16
Activity Title: Mayberry Homes-LH25 Set Aside

Activity Type:
 Construction of new housing

Project Number:
 14G-AQU-SF

Projected Start Date:
 05/15/2015

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:
 Single Family Acquisition and Rehab

Projected End Date:
 05/17/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 321,567.54

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 86,301.05

Total Funds: \$ 407,868.59

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	3	3		100.00
# of Households	3	3		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	3
# of Housing Units	3

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Mayberry Homes, Inc.2	For Profit	\$ 321,567.54

Funding Source Name	Matching Funds	Funding Amount
NSP3	No	\$ 86,301.05

Location Description:

Activity Description:

This activity will support Single Family Development benefitting low income home owners.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: 14A-11H16A
Activity Title: Mayberry Homes-LMMI

Activity Type:
 Construction of new housing

Project Number:
 14G-AQU-SF

Projected Start Date:
 05/15/2015

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:
 Direct (Households)

Activity Status:
 Under Way
Project Title:
 Single Family Acquisition and Rehab

Projected End Date:
 05/15/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 321,567.53

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 556,834.02

Total Funds: \$ 878,401.55

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	3		3	100.00
# of Households	3		3	100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	3
# of Housing Units	3

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Mayberry Homes, Inc.2	For Profit	\$ 321,567.53

Funding Source Name	Matching Funds	Funding Amount
NSP3	No	\$ 556,834.02

Location Description:

Activity Description:

This activity will support Single Family Development benefitting moderate income home owners.



Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: 14G-11H10
Activity Title: Mayberry SF A/R LMMI

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 14G-AQU-SF

Projected Start Date:
 08/01/2011

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:
 Single Family Acquisition and Rehab

Projected End Date:
 08/01/2015

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,025,517.50

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,025,517.50

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	15		15	100.00
# of Households	15		15	100.00

Proposed Accomplishments	Total
# of Singlefamily Units	15
# of Housing Units	15
# of Properties	15

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Houston Housing and Community Development	Unknown	\$ 0.00
Mayberry Homes, Inc.2	For Profit	\$ 1,025,517.50

Funding Source Name	Matching Funds	Funding Amount
NSP3	No	\$ 0.00

Location Description:
 HCDD will prioritize the expenditure of NSP 3 funds in its identified areas of greatest need.

Activity Description:

HCDD will, through an RFQ/RFP process, select qualified developers and/or subrecipients that will acquire foreclosed and/or abandoned single-family properties. Foreclosed properties shall be purchased at a maximum of 99% of appraised value. Properties will be secured and/or demolished as needed for safety and blight removal. The selected developers and/or subrecipients will rehabilitate existing houses or build new homes on such lots. These developers and/or subrecipients then will sell these properties to qualified low-income buyers. HCDD will work with developers and subrecipients to insure that any displacement that results from this activity will comply with URA.

Developers and subrecipients will be required to set aside at least 25% of the NSP allocation to serve households at or below 50% of area median income. Households earning less than 50% of area median income will be affirmatively sought for participation in this program. The remaining homes will serve households at or below 120% of area medium income. Proceeds from each such sale will be returned to HCDD or retained by the developer or subrecipient, in accordance with established resale and recapture provisions and other terms of the agreement by and between HCDD and each such developer or subrecipient.

Homebuyers will be required to take an 8 hour training course to qualify for purchasing one of these homes, and utilized only lender identified within the approved lender list and that comply with the current HCDD policy prohibiting subprime lending. Use of sub-prime loans will be disallowed. In lieu of such loans, additional subsidies will be considered to see that buyers are committed to mortgages that they can afford. Affordability periods will reflect total subsidy allocated per homeowner based on the amount of funds made available to a buyer per the terms of the City's Neighborhood Stabilization Program. Long term affordability will be ensured via the affordability covenants and/or second mortgage normally placed by HCDD on the homes.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: 14G-11H11
Activity Title: Mayberry SF A/R LH25

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 14G-AQU-SF

Projected Start Date:
 02/01/2013

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:
 Single Family Acquisition and Rehab

Projected End Date:
 02/28/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 1,025,517.50
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 1,025,517.50

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	5	5		100.00
# of Households	5	5		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	5
# of Housing Units	5
# of Properties	5

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
City of Houston Housing and Community Development	Unknown	\$ 0.00
Mayberry Homes, Inc.2	For Profit	\$ 1,025,517.50

Location Description:

Activity Description:



Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: 14G-11H13
Activity Title: Tejano SF A/R LMMI

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 14G-AQU-SF

Projected Start Date:
 05/07/2013

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:
 Direct (Households)

Proposed Beneficiaries

Owner Households
 # of Households

Total	Low	Mod	Low/Mod%
6			0.00
6			0.00

Proposed Accomplishments

of Singlefamily Units
 # of Housing Units
 # of Properties

Total
6
6
6

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Mayberry Homes, Inc.2
 Tejano Center for Community Concerns

Organization Type

For Profit
 Non-Profit

Proposed Budget

\$ 0.00
 \$ 160,000.00

Location Description:

NSP 3 Target Zones

Activity Description:



The City of Houston secured Tejano Center to carry out this project to rehabilitate single Family Homes.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: SDF-11SH09
Activity Title: Mayberry Homes(2) - LMMI

Activity Type:
 Construction of new housing

Project Number:
 14G-AQU-SF

Projected Start Date:
 08/27/2018

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:
 Direct (Households)

Proposed Beneficiaries

Owner Households
 # of Households

Total	Low	Mod	Low/Mod%
3		3	100.00
3		3	100.00

Proposed Accomplishments

of Singlefamily Units
 # of Housing Units

Total
3
3

Proposed budgets for organizations carrying out Activity:

Responsible Organization
 Mayberry Homes, Inc.2

Organization Type	Proposed Budget
For Profit	\$ 387,993.11

Location Description:
 Designated NSP target area

Activity Description:
 Construction of new single-family housing on vacant lots for sale to households with income at or below 120% AMI.



Environmental Assessment:

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None



Grantee Activity Number: SFD-11SH09A
Activity Title: Mayberry Homes(2) - LH25 Set Aside

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 14G-AQU-SF

Projected Start Date:
 08/27/2018

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:
 Single Family Acquisition and Rehab

Projected End Date:
 04/19/2020

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 129,331.04
Most Impacted and Distressed Budget: \$ 129,331.04
Other Funds: \$ 0.00
Total Funds: \$ 129,331.04

Proposed Accomplishments

- # of Elevated Structures
- # of Substantially Rehabilitated Units
- # ELI Households (0-30% AMI)
- Activity funds eligible for DREF (Ike Only)
- #Units ζ other green
- #Units deconstructed
- #Sites re-used
- #Units exceeding Energy Star
- #Units with bus/rail access
- #Low flow showerheads
- #Low flow toilets
- #Units with solar panels
- #Dishwashers replaced
- #Clothes washers replaced
- #Refrigerators replaced
- #Light fixtures (outdoors) replaced
- #Light Fixtures (indoors) replaced

Total



#Replaced hot water heaters

#Replaced thermostats

#Efficient AC added/replaced

#High efficiency heating plants

#Additional Attic/Roof Insulation

#Energy Star Replacement Windows

of Properties

1

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Mayberry Homes, Inc.2	For Profit	\$ 129,331.04

Location Description:

Activity Description:

This activity will support Single Family Development benefitting low income homeowners.

Environmental Assessment:

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / 21A-11A01 / Program Administration



Grantee Activity Number: 21A-11A01-101
Activity Title: Program Administration

Activity Type:

Administration

Project Number:

21A-11A01

Projected Start Date:

08/01/2011

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

Activity Status:

Under Way

Project Title:

Program Administration

Projected End Date:

08/01/2015

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 466,939.92

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 466,939.92

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Houston Housing and Community Development

Organization Type

Unknown

Proposed Budget

\$ 466,939.92

Funding Source Name

NSP3

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

601 Sawyer, Houston, Texas 77007

Activity Description:

NSP3 funds to cover all expenses related to administration of the grant.

Environmental Assessment: EXEMPT

Environmental Reviews: None

Activity Attributes: None



Environmental Reviews: None

Activity Supporting Documents: None

Action Plan Comments:

Cuddeback, 5/7/13 City provided copy of ordinance Number 2012-1084 approving and authorizing a contract between COH and The Reinvestment Fund for Consulting Services including a market value analysis of the City that will help facilitate neighborhood redevelopment and revitalization. The amount of the contract is \$106,050. clc

Cuddeback, 3/7/2014 - Funds set up for Tejano Center. clc

Cuddeback, change for program income

Cuddeback, Amendment to address Program Income

Young, Joyce The grantee has added projects to comply with the LH25 requirement.

Action Plan History

Version	Date
B-11-MN-48-0400 AP#12	12/31/2020
B-11-MN-48-0400 AP#11	06/30/2020
B-11-MN-48-0400 AP#10	11/22/2019
B-11-MN-48-0400 AP#9	04/27/2016
B-11-MN-48-0400 AP#8	10/30/2015
B-11-MN-48-0400 AP#7	08/21/2014
B-11-MN-48-0400 AP#6	03/07/2014
B-11-MN-48-0400 AP#5	01/30/2014
B-11-MN-48-0400 AP#4	05/07/2013
B-11-MN-48-0400 AP#3	02/11/2013
B-11-MN-48-0400 AP#2	04/30/2012



