

**Grantee: Garland, TX**

**Grant: B-08-MN-48-0005**

**January 1, 2010 thru March 31, 2010 Performance Report**

**Grant Number:**

B-08-MN-48-0005

**Obligation Date:****Grantee Name:**

Garland, TX

**Award Date:****Grant Amount:**

\$2,040,196.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Reviewed and Approved

**QPR Contact:**

No QPR Contact Found

## Disasters:

### Declaration Number

NSP

## Plan Description:

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 purchase/rehab/resale activity for foreclosed, and vacant or properties. A: Areas of Greatest Need Designated 9 and 10 rated Block Groups within the City of Garland are:

181.051,181.052,181.053,181.054,181.055,181.262,181.263,181.271,181.272,181.273,181.281,181.282,181.283,182.031,182.032,182.033,182.041,182.042,182.043,182.061,182.062,182.063,182.064,183.001,183.002,183.003,183.004,183.005,183.006,185.011,185.012,185.013,187.001,187.002,187.003,187.004,187.005,187.006,187.007,188.011,188.012,188.013,188.14,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334 B: Distribution and Uses of Funds: The City of Garland has chosen to target NSP funds to all block groups that rated a 10 or 9 as a risk factor and also meet the income qualifier of; 51% or more of the residents are determined to be low-, moderate-, and middle-income (earning less than 120% of the area median family income) (see map defining area), with primary emphasis in areas rated as a 10 risk factor. Within the targeted 51 block groups, federal funds will be used to provide immediate impact activities and longer term, yet effective programs to diminish the effects of the upward spiraling foreclosure and abandonment issues faced by residents of these areas. Immediate relief from blighted, vacant or abandoned properties will be addressed by providing Neighborhood Stabilization Program funds for land banking. The land bank may acquire and demolish blighted structures, holding the land for affordable housing development within a 10 year time frame. While increasing the visual appeal of the areas, NSP funds will then provide a means of preserving the neighborhoods. Funds will be used to purchase, rehabilitate and resell foreclosed, vacant properties to eligible homebuyers. Favorable financing terms will be provided as well as downpayment assistance. The improved conditions along with incentives will be used to attract new residents to fragile areas. As required by regulation, 25% of the NSP grant will be provided to households whose incomes do not exceed 50% of the area median income as defined by HUD. The primary means of meeting this requirement will be associated with homeownership. A financing mechanism for this group of homebuyers is structured to make homes affordable. If rental housing is developed, 25% of the assisted units will be reserved for tenants earning less than 50% of the area median income.

## Recovery Needs:

### C: Definitions and Descriptions:

Blighted property shall include commercial or residential structures, which have been declared uninhabitable and hazardous by the City and exhibit objectively determinable signs of deterioration that constitute a threat to human health, safety and public welfare.

Section 32.03 of the City of Garland Code of Ordinances defines substandard [blighted] premises as premises where one or more, in any combination, of the following conditions exist [objectively determinable signs of deterioration]:

a) Inadequate sanitation:

- a. Lack of a bathroom or the existence of an improper bathroom.
- b. Lack of or an improper kitchen.
- c. Lack of hot and cold running water to plumbing fixtures.
- d. Lack of or improper required heating, mechanical ventilation or electric facilities.
- e. Lack of required amounts of natural light and ventilation.
- f. Lack of or improper space or floor area.
- g. Lack of required electrical lighting.
- h. Dampness of habitable space.
- i. Infestation of insects, vermin or rodents.
- j. The existence of dead trees, tree limbs, holes, excavations or other conditions reasonably capable of causing injury to a person.
- k. Lack of or improper connection to required sewage disposal.
- l. Lack of or improper garbage and rubbish storage and removal facilities.
- m. Lack of or improper drainage so as to prevent standing or stagnant water on the premises.

b) Structural hazards

- a. Improper foundations.
- b. Improper flooring or floor supports.
- c. Flooring or floor supports of insufficient size to carry imposed loads safely.
- d. Members of walls, partitions or other vertical supports that split, lean, list, or buckle due to defective material, deterioration, or improper construction.
- e. Members of walls, partitions or other vertical supports that are insufficient size to carry imposed loads safely.
- f. Members of ceilings, roofs, ceiling and roof supports or other horizontal members which sag, split, or buckle due to defective material, deterioration, or improper construction.
- g. Member of ceilings, roofs, ceiling and roof supports or other horizontal members that are of insufficient size to carry imposed loads with safety.
- h. Fireplaces or chimneys which list, bulge, or settle due to defective material, deterioration, or improper construction.
- i. Fireplaces or chimneys which are of insufficient size or strength to carry imposed loads safely.
- j. Lack of or improper required railings, stairs, steps and balconies

D: Low Income Targeting:

The City has proposed a Second Chance Program that specifically targets individuals with incomes that do not exceed 50% of the area median income. This program allows for the purchase of abandoned or foreclosed upon properties at a discount, rehabilitation to bring the properties into compliance with local building codes, and subsequent sale will favorable financing terms to eligible individuals or families.

In addition, if rental units result as a product of the land banking process, 25% of the units assisted will be set aside for residents earning less than 50% of the area median income, at a rent that is affordable. This requirement will be part of the Agreement to provide funding for land banking activities.

E: Acquisition and Relocation:

Not Applicable. The City is not proposing to demolish or convert any low/moderate dwelling units. Demolition is limited to vacant, abandoned structures.

F: Public Comments:

In an effort to solicit public input on the suggested use of Neighborhood Stabilization funds, a presentation was made at the City Council work session which was televised on November 3, 2008. A public hearing was held at the regular City Council Meeting on November 3, 2008 and No public comments were offered during the hearing.

A draft of the proposed use of funds was posted on the City's website on November 4, 2008. The draft Substantial Amendment was added to the NSP web page on November 14, 2008. The City received 3 public comments via email pertaining to the Neighborhood Stabilization Program. Of the comments received, two comments favored the activities suggested for the NSP program and one comment was just a general comment on the use of Grant Funds (see Attachment C). None of the comments warranted a response or further action.

As a result of HUD's review, it was determined that The City did not comply with the process defined in its Citizen Participation Plan to process substantial amendments to its Annual Action Plan. This was corrected by undertaking the activities that are required in the Citizen Participation Plan to amend its Annual Action Plan. As required, a public notice was placed in the Dallas Morning News describing the source of the funds, the proposed use of the funds, the time period available for public comment, directions designating the person to whom to submit comments and the means to do so. The notice appeared in the January 7 edition of the newspaper. A notice explaining the same information was mailed to local Neighborhood Associations and Homeowner. (See Attachment D) To date no

additional comments have been received. The 30 day comment period ends on February 6, 2009.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,040,196.00
Total CDBG Program Funds Budgeted	N/A	\$2,040,196.00
Program Funds Drawdown	\$404,017.62	\$610,697.83
Obligated CDBG DR Funds	\$746,993.76	\$953,673.97
Expended CDBG DR Funds	\$212,311.14	\$419,136.35
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
Minimum Overall Benefit Percentage	99.99%	0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$306,029.40	\$0.00
Limit on Admin/Planning	\$204,019.60	\$4,109.74
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$510,049.00	\$510,049.00

## Overall Progress Narrative:

The NSP Program has acquired 6 single family homes as of 3-31-10. The cumulative portfolio discount on the properties as of the date of this report is 22.18%. Through the end of March 2010, the program has a waiting list of 30 persons. 2 persons to date have been approved for funding and will execute sales contracts in April and May of 2010. The City has partnered with the City of Garland Housing Authority to offer properties to families graduating from the Agency's Homeownership program.

## 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
BCKT, Bucket Project	\$404,017.62	\$2,040,196.00	\$610,697.83

## Activities

**Grantee Activity Number:** GPS Program

**Activity Title:** GPS Program

**Activity Category:**

Acquisition - general

**Project Number:**

BCKT

**Projected Start Date:**

01/01/2009

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Planned

**Project Title:**

Bucket Project

**Projected End Date:**

06/30/2010

**Responsible Organization:**

City of Garland Housing and Neighborhood Services

**Overall**

**Jan 1 thru Mar 31, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$796,128.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$796,128.00
<b>Program Funds Drawdown</b>	\$198,043.88	\$402,569.09
<b>Obligated CDBG DR Funds</b>	\$391,910.62	\$596,435.83
<b>Expended CDBG DR Funds</b>	\$208,306.40	\$412,356.61
City of Garland Housing and Neighborhood Services	\$208,306.40	\$412,356.61
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

A purchase/rehab/resale activity for foreclosed, and vacant or properties. NSP Eligible Use: (A) Establish Financing Mechanism and (B)Purchase and rehabilitate residential properties that have been foreclosed and abandoned. CDBG Eligible Use: 570.201(a) Acquisition, 570.201(b) Disposition, and 570.201(d) clearance.

**Location Description:**

Designated 9 and 10 rated Block Groups within the City of Garland:  
181.051,181.052,181.053,181.054,181.055,181.262,181.263,181.271,181.272,181.273,181.281,181.282,181.283,182.031,182.032,182.033,182.041,182.042,182.043,182.061,182.062,182.063,182.064,183.001,183.002,183.003,183.004,183.005,183.006,185.011,185.012,185.013,187.001,187.002,187.003,187.004,187.005,187.006,187.007,188.011,188.012,188.013,188.14,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334

**Activity Progress Narrative:**

No acquisitions were made under this project. There are currently 5 homes under construction that will be made available for purchase. The City has a waiting list of 30 persons the properties will be offered to. The City has a contract for sale on 4201 Hanover and this is expected to close on 5-15-10. The City also has a client in the processing approval stages for 4129 Windsor. The Contract for Sale will be executed in May of 2010 for this property as well.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	0	0/0	0/0	8/7
# of Households benefitting	0	0	0	0/0	0/7	0/7

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** LB Program

**Activity Title:** LB Program

**Activity Category:**

Land Banking - Disposition (NSP Only)

**Activity Status:**

Planned

**Project Number:**

BCKT

**Project Title:**

Bucket Project

**Projected Start Date:**

01/01/2009

**Projected End Date:**

06/30/2010

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Garland

**Overall**

**Jan 1 thru Mar 31, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$500,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$500,000.00
<b>Program Funds Drawdown</b>	\$204,019.00	\$204,019.00
<b>Obligated CDBG DR Funds</b>	\$204,019.00	\$204,019.00
<b>Expended CDBG DR Funds</b>	\$0.00	\$0.00
Garland Housing Finance Corporation	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

Activities will include acquisition of foreclosed vacant/blighted properties, demolition of any structures that are blighted or non-rehabable and redevelopment of property within 10 years as required by land banking regulations. NSP Eligible Use: (C) Establish land banks for home or residential properties that have been foreclosed upon (B) Purchase and rehabilitate homes and residential properties that have been foreclosed upon (D) Demolish blighted structures (E) Redevelop demolished or vacant properties CDBG Eligible Use: 570.021(a) Acquisition 570.201(b) Disposition and 570.201(d) Clearance

**Location Description:**

Designated 9 and 10 rated Block Groups within the City of Garland:  
181.051,181.052,181.053,181.054,181.055,181.262,181.263,181.271,181.272,181.273,181.281,181.282,181.283,182.031,182.032,182.033,182.041,182.042,182.043,182.061,182.062,182.063,182.064,183.001,183.002,183.003,183.004,183.005,183.006,185.011,185.012,185.013,187.001,187.002,187.003,187.004,187.005,187.006,187.007,188.011,188.012,188.013,188.14,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334.

**Activity Progress Narrative:**

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of Properties	0	0	0	0/0	0/0	2/2
# of housing units	0	0	0	0/0	0/0	0/2

**Activity Locations**

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

#### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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**Grantee Activity Number:** NSPAdministration

**Activity Title:** NSPAdministration

**Activity Category:**

Administration

**Activity Status:**

Planned

**Project Number:**

BCKT

**Project Title:**

Bucket Project

**Projected Start Date:**

01/01/2009

**Projected End Date:**

01/01/2010

**National Objective:**

N/A

**Responsible Organization:**

City of Garland Grants Management Department

**Overall**

**Jan 1 thru Mar 31, 2010**

**To Date**

**Total Projected Budget from All Sources**

N/A

\$204,019.00

**Total CDBG Program Funds Budgeted**

N/A

\$204,019.00

**Program Funds Drawdown**

\$1,954.74

\$4,109.74

**Obligated CDBG DR Funds**

\$1,954.74

\$4,109.74

**Expended CDBG DR Funds**

\$1,334.74

\$4,109.74

City of Garland Grants Management Department

\$1,334.74

\$4,109.74

**Match Contributed**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Program Income Drawdown**

\$0.00

\$0.00

**Activity Description:**

For eligible administrative costs associated with the Neighborhood Stabilization Programs.

**Location Description:**

N/A

**Activity Progress Narrative:**

**Performance Measures**

No Performance Measures found.

**Activity Locations**

No Activity Locations found.

**Other Funding Sources Budgeted - Detail**

No Other Match Funding Sources Found

**Other Funding Sources**

**Amount**

No Other Funding Sources Found

Total Other Funding Sources

**Grantee Activity Number:** SCP Program

**Activity Title:** SCP Program

**Activity Category:**

Acquisition - general

**Activity Status:**

Planned

**Project Number:**

BCKT

**Project Title:**

Bucket Project

**Projected Start Date:**

01/01/2009

**Projected End Date:**

06/30/2010

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Responsible Organization:**

City of Garland Housing and Neighborhood Services

**Overall**

**Jan 1 thru Mar 31, 2010**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$510,049.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$510,049.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Obligated CDBG DR Funds</b>	\$149,109.40	\$149,109.40
<b>Expended CDBG DR Funds</b>	\$2,670.00	\$2,670.00
City of Garland Housing and Neighborhood Services	\$2,670.00	\$2,670.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

An acquisition/rehab/resale/financing activity for foreclosed properties made available to persons with incomes at or below 50% of the median income limit. NSP Eligible Use: (A) Establish financing mechanisms for purchase and redevelopment of foreclosed homes and residential properties. (B) Purchase and rehabilitate homes and residential properties that have been abandoned and foreclosed upon CDBG Eligible Use: 570.201(a) Acquisition 570.201(b) Disposition 571.201(n) Direct homeownership assistance and 570.202 rehabilitation

**Location Description:**

Designated 9 and 10 rated Block Groups within the City of Garland:  
181.051,181.052,181.053,181.054,181.055,181.262,181.263,181.271,181.272,181.273,181.281,181.282,181.283,182.031,182.032,182.033,182.041,182.042,182.043,182.061,182.062,182.063,182.064,183.001,183.002,183.003,183.004,183.005,183.006,185.011,185.012,185.013,187.001,187.002,187.003,187.004,187.005,187.006,187.007,188.011,188.012,188.013,188.14,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334,190.321,190.322,190.323,190.324,190.331,190.332,190.333,190.334.

**Activity Progress Narrative:**

The program acquired 1 property under this program. The project is in the construction phase of the process. The City is working with the Section 8 Housing Agency in Garland and has a waiting list of clients ready to complete the Family Self Sufficiency Program that this property will be offered to upon completion.

**Performance Measures**

	This Report Period			Cumulative Actual Total / Expected		
	Low	Mod	Total	Low	Mod	Total
# of housing units	0	0	1	0/0	0/0	1/5
# of Persons benefitting	0	0	0	0/5	0/0	0/5

## Activity Locations

Address	City	State	Zip
708 Oak	Garland	NA	75040

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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