

# Grantee: Mesquite, TX

## Grant: B-08-MN-48-0007

### July 1, 2020 thru September 30, 2020 Performance Report

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<b>Grant Number:</b> B-08-MN-48-0007	<b>Obligation Date:</b>	<b>Award Date:</b>
<b>Grantee Name:</b> Mesquite, TX	<b>Contract End Date:</b>	<b>Review by HUD:</b> Reviewed and Approved
<b>Grant Award Amount:</b> \$2,083,933.00	<b>Grant Status:</b> Active	<b>QPR Contact:</b> Ruby Butler
<b>LOCCS Authorized Amount:</b> \$2,083,933.00	<b>Estimated PI/RL Funds:</b> \$1,723,252.23	
<b>Total Budget:</b> \$3,807,185.23		

### Disasters:

#### Declaration Number

NSP

### 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 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- 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.

**Overall**

**This Report Period**

**To Date**

<b>Total Projected Budget from All Sources</b>	\$0.00	\$3,790,439.34
<b>Total Budget</b>	\$0.00	\$3,790,439.34
<b>Total Obligated</b>	\$0.00	\$3,762,968.48
<b>Total Funds Drawdown</b>	\$0.00	\$3,682,645.82
<b>Program Funds Drawdown</b>	\$0.00	\$1,958,643.24
<b>Program Income Drawdown</b>	\$0.00	\$1,724,002.58
<b>Program Income Received</b>	\$0.00	\$1,723,152.23
<b>Total Funds Expended</b>	\$0.00	\$3,681,795.47
<b>HUD Identified Most Impacted and Distressed</b>	\$0.00	\$0.00
<b>Other Funds</b>	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

**Funds Expended**

**Overall**

**This Period**

**To Date**

City of Mesquite	\$ 0.00	\$ 3,681,795.47
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## Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$ .00	\$ .00	\$ .00
Overall Benefit Amount	\$380,680,451.15	\$ .00	\$ .00
Limit on Public Services	\$312,589.95	\$ .00	\$ .00
Limit on Admin/Planning	\$208,393.30	\$331,442.86	\$322,212.79
Limit on Admin	\$ .00	\$331,442.86	\$322,212.79
Most Impacted and Distressed	\$ .00	\$ .00	\$ .00
Progress towards LH25 Requirement	\$951,796.31		\$1,223,837.21

## Overall Progress Narrative:

During this Quarter NSP staff worked with NSP TA in preparation for grant closeout. Activity 6 is open, with 2 homes recently completed and scheduled for sale to LH 25 households on 12/15/2020. The 1/31/2021 QPR will be the final QPR of the City's NSP grant.

## Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
BCKT, Bucket Project	\$0.00	\$3,772,096.54	\$1,958,643.24
DELETED-ACTIVITIES, DELETED-ACTIVITIES (Temporary)	\$0.00	\$0.00	\$0.00

## Activities

**Project # / BCKT / Bucket Project**

<b>Grantee Activity Number:</b>	<b>1</b>
<b>Activity Title:</b>	<b>NSP Grant Administration</b>

**Activity Type:**

Administration

**Project Number:**

BCKT

**Projected Start Date:**

03/31/2009

**Benefit Type:**

N/A

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Bucket Project

**Projected End Date:**

03/30/2021

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Mesquite

<b>Overall</b>	<b>Jul 1 thru Sep 30, 2020</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	\$0.00	\$331,442.86
<b>Total Budget</b>	\$0.00	\$331,442.86
<b>Total Obligated</b>	\$0.00	\$326,000.00
<b>Total Funds Drawdown</b>	\$0.00	\$322,212.79
<b>Program Funds Drawdown</b>	\$0.00	\$70,429.52
<b>Program Income Drawdown</b>	\$0.00	\$251,783.27
<b>Program Income Received</b>	\$0.00	\$42,562.84
<b>Total Funds Expended</b>	\$0.00	\$322,212.79
City of Mesquite	\$0.00	\$322,212.79
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**Activity Description:**

To administer the NSP grant for the City of Mesquite

**Location Description:**

1616 N. Galloway, Mesquite, TX 75149

**Activity Progress Narrative:**

NSP staff worked with NSP TA toward grant closeout in January 2021.

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures**

**Beneficiaries Performance Measures**

**No Beneficiaries 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

**Activity Supporting Documents:** None

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<b>Grantee Activity Number:</b>	<b>2</b>
<b>Activity Title:</b>	<b>Purchase/Remodel/Sell Program</b>

**Activity Type:**  
Rehabilitation/reconstruction of residential structures

**Project Number:**  
BCKT

**Projected Start Date:**  
03/19/2009

**Benefit Type:**  
Direct ( HouseHold )

**National Objective:**  
NSP Only - LMMI

**Activity Status:**  
Completed

**Project Title:**  
Bucket Project

**Projected End Date:**  
05/29/2019

**Completed Activity Actual End Date:**

**Responsible Organization:**  
City of Mesquite

Overall	Jul 1 thru Sep 30, 2020	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$2,136,595.82
<b>Total Budget</b>	\$0.00	\$2,136,595.82
<b>Total Obligated</b>	\$0.00	\$2,136,595.82
<b>Total Funds Drawdown</b>	\$0.00	\$2,136,595.82
<b>Program Funds Drawdown</b>	\$0.00	\$1,363,072.92
<b>Program Income Drawdown</b>	\$0.00	\$773,522.90
<b>Program Income Received</b>	\$0.00	\$1,408,018.71
<b>Total Funds Expended</b>	\$0.00	\$2,136,595.82
City of Mesquite	\$0.00	\$2,136,595.82
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**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.

**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 Progress Narrative:**

This Activity is closed and marked as Completed.



## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	14/14

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	14/14
# of Singlefamily Units	0	14/14

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	0/0	3/4	14/14	21.43
# Owner Households	0	0	0	0/0	3/4	14/14	21.43

## 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	

Activity Supporting Documents: None

<b>Grantee Activity Number:</b>	<b>4</b>
<b>Activity Title:</b>	<b>50% AMI Program</b>

**Activity Type:**  
Rehabilitation/reconstruction of residential structures

**Activity Status:**  
Completed

**Project Number:**  
BCKT

**Project Title:**  
Bucket Project

**Projected Start Date:**  
03/19/2009

**Projected End Date:**  
05/29/2019

**Benefit Type:**  
Direct ( HouseHold )

**Completed Activity Actual End Date:**

**National Objective:**  
NSP Only - LH - 25% Set-Aside

**Responsible Organization:**  
City of Mesquite

Overall	Jul 1 thru Sep 30, 2020	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$793,205.02
<b>Total Budget</b>	\$0.00	\$793,205.02
<b>Total Obligated</b>	\$0.00	\$793,305.02
<b>Total Funds Drawdown</b>	\$0.00	\$794,055.37
<b>Program Funds Drawdown</b>	\$0.00	\$525,140.80
<b>Program Income Drawdown</b>	\$0.00	\$268,914.57
<b>Program Income Received</b>	\$0.00	\$272,570.68
<b>Total Funds Expended</b>	\$0.00	\$793,205.02
City of Mesquite	\$0.00	\$793,205.02
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**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.

**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 Progress Narrative:**

This Activity is closed and marked as Completed.

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	6/6
# ELI Households (0-30% AMI)	0	0/6





	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	6/6
# of Singlefamily Units	0	6/6

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	6/3	0/0	6/6	100.00
# Owner Households	0	0	0	6/3	0/0	6/6	100.00

### 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	

Activity Supporting Documents: None

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<b>Grantee Activity Number:</b>	<b>6</b>
<b>Activity Title:</b>	<b>Demo/Rebuild</b>

**Activity Type:**  
Construction of new housing

**Activity Status:**  
Under Way

**Project Number:**  
BCKT

**Project Title:**  
Bucket Project

**Projected Start Date:**  
12/31/2018

**Projected End Date:**  
03/30/2021

**Benefit Type:**  
Direct ( Household )

**Completed Activity Actual End Date:**

**National Objective:**  
NSP Only - LH - 25% Set-Aside

**Responsible Organization:**  
City of Mesquite

Overall	Jul 1 thru Sep 30, 2020	To Date
<b>Total Projected Budget from All Sources</b>	\$0.00	\$529,195.64
<b>Total Budget</b>	\$0.00	\$529,195.64
<b>Total Obligated</b>	\$0.00	\$507,067.64
<b>Total Funds Drawdown</b>	\$0.00	\$429,781.84
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$429,781.84
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$0.00	\$429,781.84
City of Mesquite	\$0.00	\$429,781.84
<b>Most Impacted and Distressed Expended</b>	\$0.00	\$0.00

**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.

**Location Description:**

City of Mesquite, Texas

**Activity Progress Narrative:**

Two newly built properites were completed in September 2020. Construction was delayed due to difficulty sourcing materials during COVID. In October NSP staff located 2 LH25 eligible Buyers. Closing for each home sale is scheduled for 12/15/2020.

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/2
# of Singlefamily Units	0	0/2



## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod
# of Households	0	0	0	0/2	0/0	0/2	0
# Owner Households	0	0	0	0/2	0/0	0/2	0

## 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	

Activity Supporting Documents: None

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