CITY OF HOUSTON

Housing & Community Development Department

Annise D. Parker

Mayor

Neal Rackleff
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January 30, 2013

Sandra H. Warren, Director
U.S. Department of Housing and Urban Development
Houston Field Office, Region VI
Office of Community Planning & Development
1301 Fannin Street, Suite 2200
Houston, TX 77002

RE: Neighborhood Stabilization Program 1 (NSP 1) Monthly Reporting: DRGR Reporting for December 2012

Dear Ms. Warren:

On March 26, 2009, the Department of Housing and Urban Development (HUD) executed the City of Houston, Housing and Community Development Department (HCDD) Neighborhood Stabilization Program (NSP) grant agreement.

In reference to NSP requirements pertaining to *Quarterly* and *Monthly* reporting in the Federal Register at pg. 58341,(O)(b)(i), the following reporting requirements are presented for December 2012 monthly reporting period:

- HCDD has a remaining allocation of $2,204,649 in NSP funds (after de-obligation and reallocation of $1,510,900) for single-family rehabilitation to four non-profit organizations to acquire, rehabilitate, redevelop and sell 26 foreclosed single family properties at affordable prices. Single family productivity has been slower than anticipated. We expended $2,140,404 of NSP funds for these single family properties. We are in the process of creating a new contract with one of the developers to help them sell their unsold homes. Seventeen houses have been built and sold. Six houses have been completed and not sold. Three houses are under construction.
- HCDD has reallocated $1,510,900 in NSP funds to demolition activity.
- HCDD obligated $8,802,425 (100% of the multifamily budget) in NSP funds to Cesar Chavez Foundation (fka National Farm Workers Service Center) for a multifamily acquisition and rehabilitation of the Zollie Scales Apartments. HCDD provided funding for the acquisition and rehabilitation of the apartments on November 23, 2010. To date HCDD has expended $6,638,188 (75%) of NSP funds for the acquisition and rehabilitation of this multifamily property. The construction phase began on January 18, 2012. Construction is substantially complete pending punch list items and retainage draw. The remaining work including any ADA corrections should be completed by Feb 15th and funds drawn by March 15th.
- The HCDD has obligated $1,024,219 in NSP administrative cost. To date HCDD has expended $786,594 (77%)
- Per DRGR, 71% of the NSP1 grant has been expended.

If you have any questions, please call me at 713-868-8305 or you may contact Derek Sellers, our department's HUD liaison, at 713-868-8428.

Sincerely,

Neal Rackleff
Director (FOR)

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