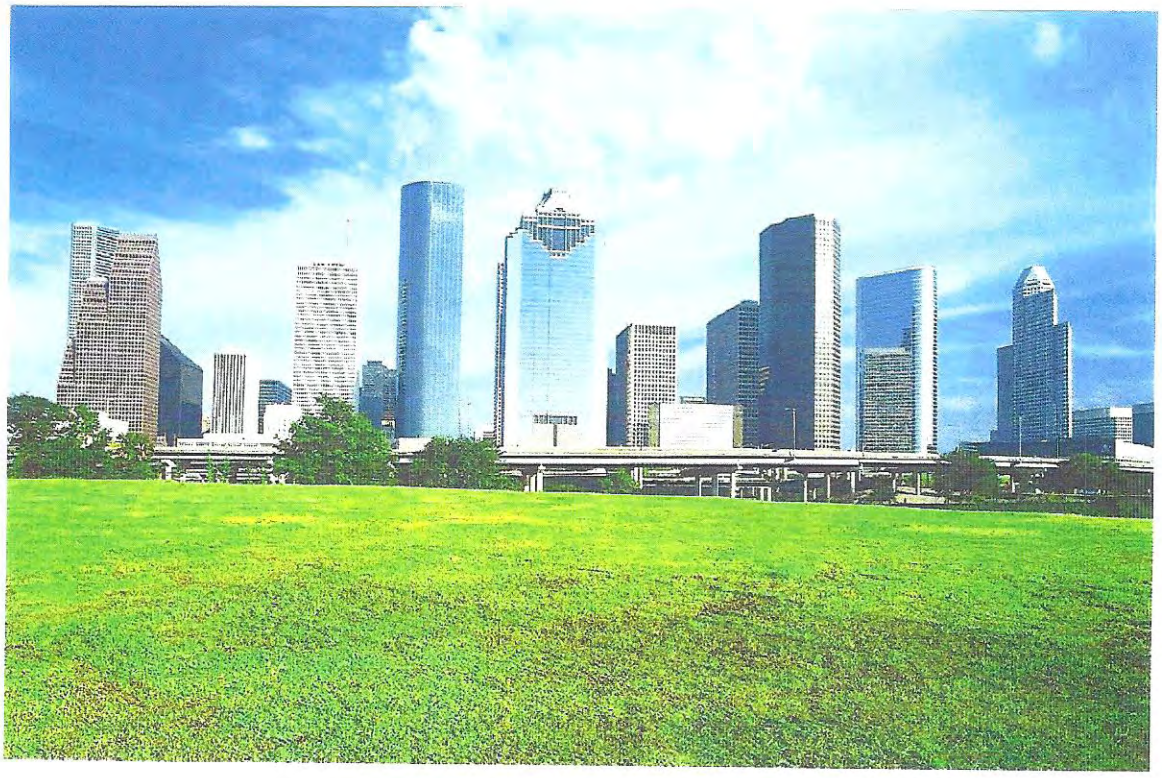
The City of Houston

Department of Housing and Community Development

Neighborhood Stabilization Program—Round Three

Proposed Action Plan



Housing Director: James D. Noteware

601 Sawyer Street, Fourth Floor

Houston, TX 77007

The City of Houston

Housing and Community Development Department

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1. NSP3 Grantee Information

NSP3 Program Administrator Contact Information	
Name (Last, First)	Rasheed, Deidre City of Houston, Housing and Community Development Department ("HCDD")
Email Address	Deidre.Rasheed@houstonTX.gov
Phone Number	713-868-8429
Mailing Address	601 Sawyer Fourth Floor, Houston, TX 77007

2. Areas of Greatest Need

Map Submission

The map (the "NSP Map") generated at the "HUD NSP3 Mapping Tool for Preparing Action Plan" website is attached hereto as Appendix A.

Data Sources Used to Determine Areas of Greatest Need

Describe the data sources used to determine the areas of greatest need.
Response: The City of Houston used several data sources to determine the areas of greatest need included the mapping tool with census track foreclosure indicators and the flood plain map.

Determination of Areas of Greatest Need

Describe how the areas of greatest need were established.
Response: 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 identified areas 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.

3. Definitions and Descriptions

Definitions

Term	Definition
Blighted Structure	A residential or commercial building that exhibits an extensive level of physical decline or decay.

Affordable Rents	HOME program rents will be used for projects funded by 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.

Descriptions

Term	Definition
Long-Term 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.
Housing Rehabilitation Standards	The City is currently developing its minimum property standards for multifamily new construction and rehabilitation projects.

4. Low-Income Targeting

Low-Income Set-Aside Amount

Enter the low-income set-aside percentage in the first field. The field for total funds set aside will populate based on the percentage entered in the first field and the total NSP3 grant.

Identify the estimated amount of funds appropriated or otherwise made available under the NSP3 to be used to provide housing for individuals or families whose incomes do not exceed 50 percent of area median income.
Response: Total low-income set-aside **percentage** (must be no less than 25 percent): 25.00% Total funds set aside for low-income individuals = $ 847,258.75

Meeting Low-Income Target

Provide a summary that describes the manner in which the low-income targeting goals will be met.
Response: The City of Houston will use legal agreements and income verification to insure that single family and/or multifamily projects developed with NSP3 funds meets these low-income housing targeting goals.

5. Acquisition and Relocation

Demolition or Conversion of LMI Units

Does the grantee intend to demolish or convert any low- and moderate-income dwelling units (i.e., ≤ 80% of area median income)?	Yes

If yes, fill in the table below.

Question	Number of Units
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.	40
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).	40
The number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.	10

6. Public Comment

Citizen Participation Plan

Briefly describe how the grantee followed its citizen participation plan regarding this proposed substantial amendment or abbreviated plan.
Response: The City of Houston is currently planning two upcoming public hearings to inform the community of the details of the proposed NSP plan. A public notice was posted in the Houston Chronicle to receive comments from Saturday 2/12/2011 through Monday 2/28/2011. In addition, the public notice and the working draft of this application were posted to the HCDD website as of 2/11/2011.

Summary of Public Comments Received.

There will be a public hearing held on March 23rd to inform the public of the current plan and allow for public comments.

7. NSP Information by Activity

Activity Number 1	
Activity Name	Administration of the Grant
Use	Select all that apply: ☐ Eligible Use A: Financing Mechanisms ☒ Eligible Use B: Acquisition and Rehabilitation ☒ Eligible Use C: Land Banking ☒ Eligible Use D: Demolition ☒ Eligible Use E: Redevelopment
CDBG Activity or Activities	Administration – General Management and Oversight as allowed under 24 CFR 570.206

National Objective	N/A		
Activity Description	HCDD will use these funds to administer and monitor all activities carried out under this NSP3 program.		
Location Description	HCDD will prioritize the expenditure of NSP 3 funds in its identified areas of greatest need		
Budget	**Source of Funding**	**Dollar Amount**	
	NSP3	$338,000.00	
	(Other funding source)	$ 0	
	(Other funding source)	$ 0	
Total Budget for Activity		$338,000.00	
Performance Measures	N/A		
Responsible Organization	**Name**	City of Houston, Housing and Community Development Department	
	Location	601 Sawyer, Suite 400, Houston TX 77007	
	Administrator Contact Info	Deidre Rasheed 713-868-8429 deidre.rasheed@houstonTX.gov	

Activity Number 2	
Activity Name	24 CFR 570.201 (a) Acquisition and Rehabilitation
Uses	Select all that apply: ☐ Eligible Use A: Financing Mechanisms ☒ Eligible Use B: Acquisition and Rehabilitation ☒ Eligible Use C: Land Banking ☒ Eligible Use D: Demolition ☒ Eligible Use E: Redevelopment
CDBG Activity or Activities	24 CFR 570.201 (a) Acquisition and Rehabilitation, (b) dispositions, (i) relocation. 24 CFR 570.202 eligible rehabilitation and preservation of activities for homes and other residential properties
National Objective	Low Moderate Middle Income Housing (LMMH)
Activity Description	Developers and/or subrecipients will acquire foreclosed and/or abandoned single-family properties that are vacant at a maximum of 99% of appraised value. Properties will be secured and/or demolished as needed for safety and blight removal. HCDD will, through an RFQ/RFP process, select qualified developers and/or subrecipients to rehabilitate these properties 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 their 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. 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. 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 a subsidy layering analysis. Long term affordability will be ensured via the affordability covenants and/or second mortgage normally placed by HCDD on homes serviced via the HAP down payment assistance program.		
Location Description	HCDD will prioritize the expenditure of NSP 3 funds in its identified areas of greatest need		
Budget	**Source of Funding**	**Dollar Amount**	
	NSP3	$1,713,035.00	
	(Other funding source)	$0	
	(Other funding source)	$0	
Total Budget for Activity		$1,713,035.00	
Performance Measures	Number of families at each of (i) 120% or less of area median income and (ii) 50% or less of area median income served; Number of foreclosed and/or abandoned single family properties redeveloped		
Projected Start Date	8/1/2011		
Projected End Date	8/1/2015		
Responsible Organization	**Name**	City of Houston, Housing and Community Development Department	
	Location	601 Sawyer Fourth Floor, Houston TX 77007	
	Administrator Contact Info	Deidre Rasheed 713-868-8429 deidre.rasheed@houstonTX.gov	

Activity Number 3		
Activity Name	Demolition & Land Bank	
Use	Select all that apply:	
	☐	Eligible Use A: Financing Mechanisms
	☐	Eligible Use B: Acquisition and Rehabilitation

	☒ Eligible Use C: Land Banking ☒ Eligible Use D: Demolition ☒ Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201 (a) Acquisition and Rehabilitation, (b)dispositions,(c) public facilities and improvements (i) relocation. 24 CFR 570.202 eligible rehabilitation and preservation of activities for homes and other residential properties	
National Objective	Low Moderate Middle Income Housing (LMMH)	
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.	
Location Description	HCDD will prioritize the expenditure of NSP 3 funds in it its identified areas of greatest need	
Budget	**Source of Funding**	**Dollar Amount**
	NSP3	$338,000.00
	(Other funding source)	$0
	(Other funding source)	$0
Total Budget for Activity		$338,000.00
Performance Measures	Number of foreclosed and/or abandoned properties redeveloped	
Projected Start Date	8/1/2011	
Projected End Date	8/1/2015	
Responsible Organization	**Name**	City of Houston, Housing and Community Development Department
	Location	601 Sawyer Fourth Floor, Houston TX 77007
	Administrator Contact Info	Deidre Rasheed 713-868-8429 deidre.rasheed@houstonTX.gov

Activity Number 4		
Activity Name	Acquisition & Rehabilitation	
Use	Select all that apply: ☐ Eligible Use A: Financing Mechanisms ☒ Eligible Use B: Acquisition and Rehabilitation ☒ Eligible Use C: Land Banking ☒ Eligible Use D: Demolition ☒ Eligible Use E: Redevelopment	
CDBG Activity or Activities	24 CFR 570.201 (a) Acquisition and Rehabilitation, (b)dispositions,(c) public facilities and improvements (i) relocation. 24 CFR 570.202 eligible rehabilitation and preservation of activities for homes and other residential properties	
National Objective	Low Moderate Middle Income Housing (LMMH)	
Activity Description	Developers and/or subrecipients will acquire foreclosed and/or abandoned multifamily properties at a maximum of 99% of appraised value. Properties will be secured and/or demolished as needed for safety and blight removal. HCDD will, through an RFQ/RFP process, select qualified developers and/or subrecipients to rehabilitate these properties. These developers and subrecipients then will lease these properties to qualified low-income tenants. 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 their 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. Proceeds from each such transaction 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. Only temporary relocation may be required for this activity.	
Location Description	HCDD will prioritize the expenditure of NSP 3 funds in it its identified areas of greatest need	
Budget	**Source of Funding**	**Dollar Amount**
	NSP3	$1,000,000.00
	(Other funding source)	$ 0
	(Other funding source)	$ 0
Total Budget for Activity		$1,000,000.00

Performance Measures	Number of families at each of (i) 120% or less of area median income and (ii) 50% or less of area median income served; Number of foreclosed and/or abandoned multifamily properties redeveloped	
Projected Start Date	8/1/2011	
Projected End Date	8/1/2015	
Responsible Organization	**Name**	City of Houston, Housing and Community Development Department
	Location	601 Sawyer Fourth Floor, Houston TX 77007
	Administrator Contact Info	Deidre Rasheed 713-868-8429 deidre.rasheed@houstonTX.gov

8. Certifications

Certifications for State and Entitlement Communities

(1) **Affirmatively furthering fair housing.** The jurisdiction certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) **Anti-displacement and relocation plan.** The applicant certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan.

(3) **Anti-lobbying.** The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) **Authority of jurisdiction.** The jurisdiction certifies that the consolidated plan or abbreviated plan, as applicable, is authorized under state and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.

(5) **Consistency with plan.** The jurisdiction certifies that the housing activities to be undertaken with NSP funds are consistent with its consolidated plan or abbreviated plan, as applicable.

(6) **Acquisition and relocation.** The jurisdiction certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24, except as those provisions are modified by the notice for the NSP program published by HUD.

(7) **Section 3.** The jurisdiction certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(8) **Citizen participation.** The jurisdiction certifies that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of Sections 24 CFR 91.105 or 91.115, as modified by NSP requirements.

(9) **Following a plan.** The jurisdiction certifies it is following a current consolidated plan (or

Comprehensive Housing Affordability Strategy) that has been approved by HUD. [Only States and entitlement jurisdictions use this certification.]

(10) **Use of funds.** The jurisdiction certifies that it will comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and Title XII of Division A of the American Recovery and Reinvestment Act of 2009 by spending 50 percent of its grant funds within 2 years, and spending 100 percent within 3 years, of receipt of the grant.

(11) **The jurisdiction certifies:**

a. that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income; and

b. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with NSP funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

(12) **Excessive force.** The jurisdiction certifies that it has adopted and is enforcing:

a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

b. A policy of enforcing applicable state and local laws against physically barring entrance to, or exit from, a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) **Compliance with anti-discrimination laws.** The jurisdiction certifies that the NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(14) **Compliance with lead-based paint procedures.** The jurisdiction certifies that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(15) **Compliance with laws.** The jurisdiction certifies that it will comply with applicable laws.

(16) **Vicinity hiring.** The jurisdiction certifies that it will, to the maximum extent feasible, provide for hiring of employees that reside in the vicinity of NSP3 funded projects or contract with small businesses that are owned and operated by persons residing in the vicinity of NSP3 projects.

(17) **Development of affordable rental housing.** The jurisdiction 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.

Annie D. Parker

Signature/Authorized Official

2/23/11

Date

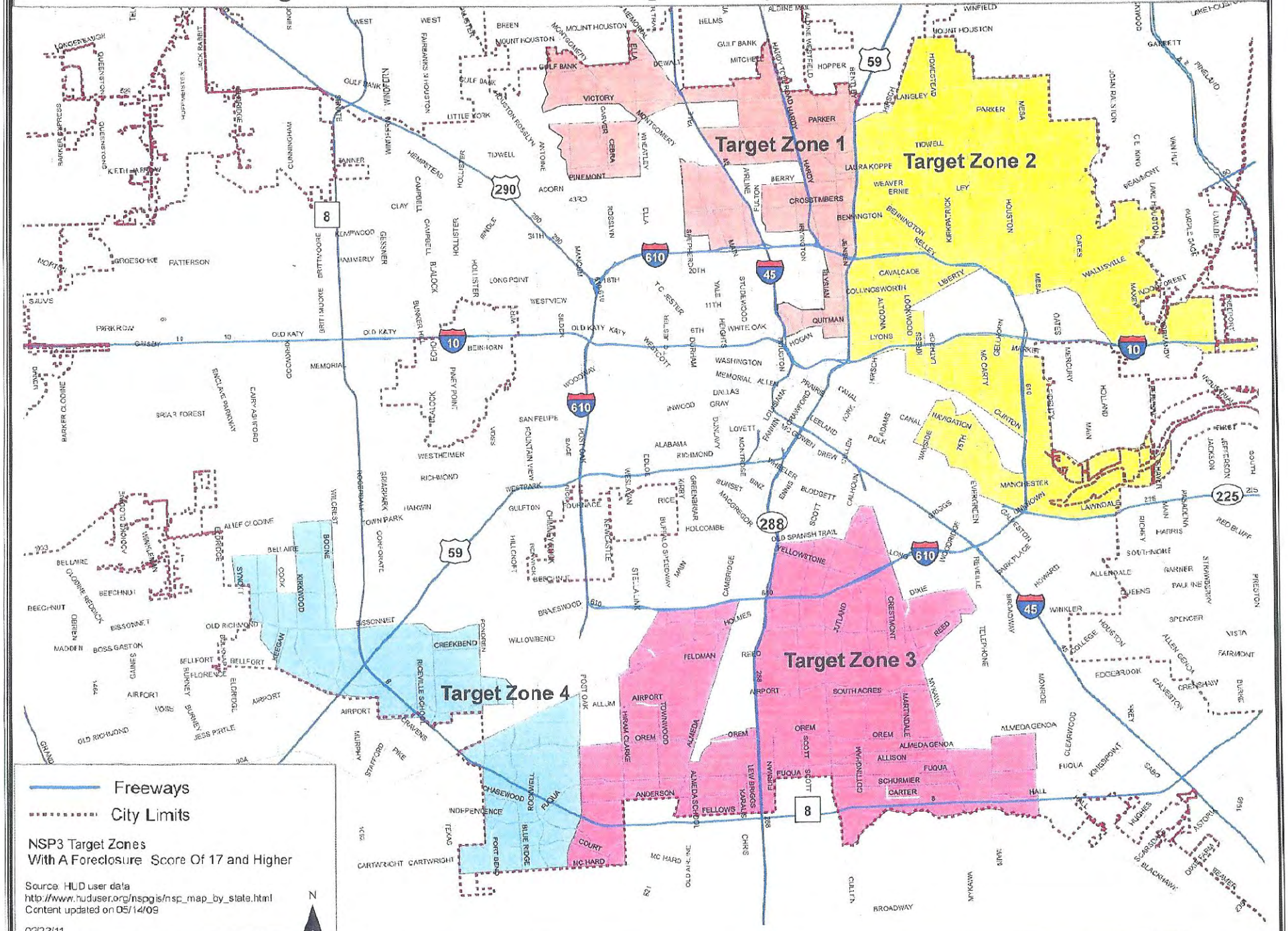
Mayor

Title

Appendix A

NSP Target Areas

Neighborhood Stabilization Program Target Zones (NSP 3)



Appendix B

NSP3 Public Notice

PUBLIC NOTICE

The City of Houston's (City) Housing & Community Development (HCDD) proposes to amend its 2010-2014 Consolidated Plan and Action Plan to include funding that has been allocated to it under the Neighborhood Stabilization Program (NSP) enabled by the Dodd-Frank Wall Street Reform Act and Consumer Protection Act of 2010 (NSP3). The Department has determined that for NSP3, the states and local governments with the greatest need for neighborhood stabilization funding are those communities that have high numbers of foreclosed and/or vacant properties in the neighborhoods with the highest concentrations of foreclosures, delinquent loans, and subprime loans. The United States Department of Housing and Urban Development (HUD) has notified the City of Houston of its rights to submit an action plan under an application for $3,389,035 in NSP3 funds.

Under NSP3 rules, these funds must be used to assist households that earn up to 120% of the Area Median Income for the Houston Metropolitan Statistical Area (MSA). It is further noted that 25% of the total allocation must be set aside to assist people who earn less than 50% of the Area Median Income for the Houston MSA.

HCDD, on behalf of the City proposes to budget the allocation to the following combination of eligible activities and in the amounts as follows:

Single Family Acquisition Rehabilitation	$ 1,713,035
Multifamily Acquisition and Rehabilitation	$ 1,000,000
Demolition	$ 338,000
Administration	$ 338,000
Total	**$ 3,389,035**

The public is invited to comment on this proposed amendment to the 2010 Consolidated Plan and 2010 Annual Action Plan for a period of 15 days, from Saturday February 12, 2011 through Monday, February 28, 2011. Contact Deidre Rasheed (Deidre.Rasheed@HoustonTX.gov) or Peggy Colligan (Margaret.Colligan@HoustonTX.gov) for more details. You may also call (713) 868-8300.

Appendix C:

Summary of Public Comments

February 24, 2011

James Noteware, Director
City of Houston
Housing and Community Development Department
P.O. Box 1562
Houston, Texas 77251-1562

Dear Mr. Noteware:

The Corporation for Supportive Housing (CSH) is a national nonprofit organization and community development financial institution that helps communities create permanent housing with services to prevent and end homelessness. CSH opened its Texas hub in 2008 and recently expanded to offer more direct technical assistance in the Houston/Harris County area. CSH is pleased to submit these comments on the draft NSP3 action plan, and welcomes the opportunity to provide additional recommendations and guidance in support of the community PSH initiative.

As you know, CSH was engaged by the Coalition for the Homeless of Houston/Harris County to complete a financial model for a Permanent Supportive Housing (PSH) Initiative. Many agencies came to the table to develop the model, including the Houston Housing and Community Development Department and the Harris County Community Services Department.

The model outlines the financial resources necessary to bring 1,750 units of permanent supportive housing and an additional 2,000 affordable housing units on-line by 2016. A minimum of $3.5 million in NSP3 funding provided in combination by Harris County and the City of Houston is a critical component of the financing strategy.

Therefore, in response to the recently published NSP3 draft action plan, the Corporation for Supportive Housing would like to recommend the following modifications:

(1) Increase the amount of funding directed toward rental housing to $2.2 million (represents a pro rata distribution of $3.5 million)
(2) Establish a 25% set aside for permanent supportive rental housing (defined as deeply subsidized rental units with attached supportive services targeted to homeless individuals and families), and create scoring or funding incentives for developers to include PSH units in NSP-funded affordable housing developments

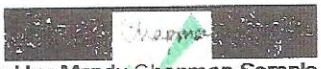
NSP funding is uniquely positioned to support integrated development of PSH units utilizing the 25% set-aside for households at of below 50% AMFI. The creation of incentives for these projects to include supportive housing units will be a first step in prioritizing PSH development to end homelessness in the City of Houston.

Additionally, the inclusion of PSH in integrated developments, particularly within the context of neighborhood stabilization, can be an effective tool to ensure project sustainability through increased occupancy rates, more stable rental revenue streams, and the presence of service providers on-site. PSH units, as defined, have fixed rental subsidy, guaranteeing affordability and operating income.

PSH can be an effective tool to end long-term homelessness when properly supported and cultivated within a community. It is essential for government agencies to prioritize federal and state resources to support the proliferation of PSH throughout the community. Modification to the proposed action plan as described will effectively achieve this desired outcome.

Thank you for your public service. CSH values the resources of NSP and other programs that are made available by your dedicated work.

Regards,



Signed by: Mandy Chapman Semple
02/24/11 3:06 PM -06:00

Mandy Chapman Semple
Program Manager
Corporation for Supportive Housing
512.569.6647
mandy.chapmansemple@csh.org
www.csh.org

Appendix D:

Application for Federal Assistance (SF 424)

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

*1. Type of Submission:	*2. Type of Application	* If Revision, select appropriate letter(s)
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	*Other (Specify)
☐ Changed/Corrected Application	☐ Revision	

3. Date Received:	4. Applicant Identifier:
03/01/11	74-6001164

5a. Federal Entity Identifier:	*5b. Federal Award Identifier:
74-6001164	

State Use Only:

6. Date Received by State:	7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: City of Houston Housing and Community Development Department

*b. Employer/Taxpayer Identification Number (EIN/TIN):	*c. Organizational DUNS:
74-6001164	832431985

d. Address:

*Street 1: 601 Sawyer Fourth Floor
Street 2:
*City: Houston
County: Harris
*State: Texas
Province:
*Country: United States of America
*Zip / Postal Code 77002

e. Organizational Unit:

Department Name:	Division Name:
City of Houston, Housing and Community Development Department	Neighborhood Stabilization Program

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr. *First Name: James
Middle Name: Douglass
*Last Name: Noteware
Suffix:

Title: Director , City of Houston Housing and Community Development Department

Organizational Affiliation:
Neighborhood Stabilization Grant Program

*Telephone Number: 713-868-8305 Fax Number: 713-864-4135

*Email: Jim.Noteware@houtontx.gov

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

***9. Type of Applicant 1: Select Applicant Type:**

C. City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

11. Catalog of Federal Domestic Assistance Number:

14.218

CFDA Title:

Community Development Block Grant

***12 Funding Opportunity Number:**

14 218

*Title:

Community Development Block Grant

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

City of Houston NSP Target Zones

***15. Descriptive Title of Applicant's Project:**

Application for Neighborhood Stabilization Program Round 3 funds from HUD for future allocation of such funds to stabilize certain areas of greatest need as identified by the City of Houston.

OMB Number: 4040-0004
Expiration Date: 01/31/2009

Application for Federal Assistance SF-424 Version 02

16. Congressional Districts Of:

*a. Applicant: 7,8, 18, 22,25, 29 *b. Program/Project: 7,8,18,22,25,29

17. Proposed Project:

*a. Start Date: 08/01/11 *b. End Date: 08/01/15

18. Estimated Funding ($):

*a. Federal	$3,389,035
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	$3,389,035

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on _____

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

☐ Yes ☒ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

Prefix: Ms. *First Name: Annise

Middle Name:

*Last Name: Parker

Suffix:

*Title: Mayor

*Telephone Number: 832-393-1011 Fax Number:

* Email: annise.parker@houstontx.gov

*Signature of Authorized Representative: Annise D. Parker Annise D. Parker *Date Signed: 3-1-11

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-102

Application for Federal Assistance SF-424 Version 02

***Applicant Federal Debt Delinquency Explanation**

The following should contain an explanation if the Applicant organization is delinquent of any Federal Debt.

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form (including the continuation sheet) required for use as a cover sheet for submission of preapplications and applications and related information under discretionary programs. Some of the items are required and some are optional at the discretion of the applicant or the Federal agency (agency). Required items are identified with an asterisk on the form and are specified in the instructions below. In addition to the instructions provided below, applicants must consult agency instructions to determine specific requirements.

Item	Entry:
1.	**Type of Submission:** (Required) Select one type of submission in accordance with agency instructions. • Preapplication • Application • Changed/Corrected Application – If requested by the agency, check if this submission is to change or correct a previously submitted application. Unless requested by the agency, applicants may not use this to submit changes after the closing date.
2.	**Type of Application:** (Required) Select one type of application in accordance with agency instructions. • New – An application that is being submitted to an agency for the first time. • Continuation - An extension for an additional funding/budget period for a project with a projected completion date. This can include renewals. • Revision - Any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision, enter the appropriate letter(s). More than one may be selected. If "Other" is selected, please specify in text box provided. A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration E. Other (specify)
3.	**Date Received:** Leave this field blank. This date will be assigned by the Federal agency.
4.	**Applicant Identifier:** Enter the entity identifier assigned by the Federal agency, if any, or applicant's control number, if applicable.
5a	**Federal Entity Identifier:** Enter the number assigned to your organization by the Federal Agency, if any.
5b.	**Federal Award Identifier:** For new applications leave blank. For a continuation or revision to an existing award, enter the previously assigned Federal award identifier number. If a changed/corrected application, enter the Federal identifier in accordance with agency instructions.
6.	**Date Received by State:** Leave this field blank. This date will be assigned by the State, if applicable.
7.	**State Application Identifier:** Leave this field blank. This identifier will be assigned by the State, if applicable.
8.	**Applicant Information:** Enter the following in accordance with agency instructions:
	a. Legal Name: (Required): Enter the legal name of applicant that will undertake the assistance activity. This is the name that the organization has registered with the Central Contractor Registry. Information on registering with CCR may be obtained by visiting the Grants.gov website.
	b. Employer/Taxpayer Number (EIN/TIN): (Required): Enter the Employer or Taxpayer Identification Number (EIN or TIN) as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44-4444444.
	c. Organizational DUNS: (Required) Enter the organization's DUNS or DUNS+4 number received from Dun and Bradstreet. Information on obtaining a DUNS number may be obtained by visiting the Grants.gov website.
	d. Address: Enter the complete address as follows: Street address (Line 1 required), City (Required), County, State (Required, if country is US), Province, Country (Required), Zip/Postal Code (Required, if country is US).
	e. Organizational Unit: Enter the name of the primary organizational unit (and department or division, if applicable) that will undertake the

Item	Entry:
10.	**Name Of Federal Agency:** (Required) Enter the name of the Federal agency from which assistance is being requested with this application.
11.	**Catalog Of Federal Domestic Assistance Number/Title:** Enter the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested, as found in the program announcement, if applicable.
12.	**Funding Opportunity Number/Title:** (Required) Enter the Funding Opportunity Number and title of the opportunity under which assistance is requested, as found in the program announcement.
13.	**Competition Identification Number/Title:** Enter the Competition Identification Number and title of the competition under which assistance is requested, if applicable.
14.	**Areas Affected By Project:** List the areas or entities using the categories (e.g., cities, counties, states, etc.) specified in agency instructions. Use the continuation sheet to enter additional areas, if needed.
15.	**Descriptive Title of Applicant's Project:** (Required) Enter a brief descriptive title of the project. If appropriate, attach a map showing project location (e.g., construction or real property projects). For preapplications, attach a summary description of the project.
16.	**Congressional Districts Of:** (Required) 16a. Enter the applicant's Congressional District and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 characters State Abbreviation – 3 characters District Number, e.g., CA-005 for California 5th district, CA-012 for California 12th district, NC-103 for North Carolina's 103rd district. • If all congressional districts in a state are affected, enter "all" for the district number, e.g., MD-all for all congressional districts in Maryland. • If nationwide, i.e. all districts within all states are affected, enter US-all. • If the program/project is outside the US, enter 00-000.
17.	**Proposed Project Start and End Dates:** (Required) Enter the proposed start date and end date of the project.
18.	**Estimated Funding:** (Required) Enter the amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines, as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses.
19.	**Is Application Subject to Review by State Under Executive Order 12372 Process?** Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the

assistance activity, if applicable.

f. Name and contact information of person to be contacted on matters involving this application: Enter the name (First and last name required), organizational affiliation (if affiliated with an organization other than the applicant organization), telephone number (Required), fax number, and email address (Required) of the person to contact on matters related to this application.

9. Type of Applicant: (Required)
Select up to three applicant type(s) in accordance with agency instructions.

A. State Government
B. County Government
C. City or Township Government
D. Special District Government
E. Regional Organization
F. U.S. Territory or Possession
G. Independent School District
H. Public/State Controlled Institution of Higher Education
I. Indian/Native American Tribal Government (Federally Recognized)
J. Indian/Native American Tribal Government (Other than Federally Recognized)
K. Indian/Native American Tribally Designated Organization
L. Public/Indian Housing Authority
M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)
N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education)
O. Private Institution of Higher Education
P. Individual
Q. For-Profit Organization (Other than Small Business)
R. Small Business
S. Hispanic-serving Institution
T. Historically Black Colleges and Universities (HBCUs)
U. Tribally Controlled Colleges and Universities (TCCUs)
V. Alaska Native and Native Hawaiian Serving Institutions
W. Non-domestic (non-US) Entity
X. Other (specify)

State intergovernmental review process. Select the appropriate box. If "a." is selected, enter the date the application was submitted to the State.

20. **Is the Applicant Delinquent on any Federal Debt?** (Required) Select the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.

If yes, include an explanation on the continuation sheet.

21. **Authorized Representative:** (Required) To be signed and dated by the authorized representative of the applicant organization. Enter the name (First and last name required), title (Required), telephone number (Required), fax number and email address (Required) of the person authorized to sign for the applicant.
A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

Appendix E

NSP3 Action Plan Contents Checklist

Appendix E: NSP3 Action Plan Contents Checklist

The checklist below is an optional tool for NSP3 grantees to help to ensure that all required elements of the NSP3 Substantial Amendment or the Abbreviated Plan are submitted to HUD. This checklist only includes the minimum required elements that must be included in the NSP3 Action Plan and grantees may want to add additional details. This document must be protected, as described above, in order to use the checkboxes in this checklist.

1. NSP3 Grantee Information

	Yes
Did you include the Program Administrator's name, address, phone, and email address?	☒

2. Areas of Greatest Need

	Yes
Does the narrative description describe how funds will give priority emphasis to areas of greatest need?	☒
Does the narrative description specifically address how the funds will give priority emphasis to those areas:	
• With the highest percentage of home foreclosures?	☒
• With the highest percentage of homes financed by subprime mortgage related loan?; and	☒
• Identified by the grantee as likely to face a significant rise in the rate of home foreclosures?	☒
Did you create the area of greatest needs map at http://www.huduser.org/NSP/NSP3.html?	☒
Did you include the map as an attachment to your Action Plan?	☒
ONLY Applicable for States: Did you include the needs of all entitlement communities in the State?	☐

3. Definitions and Descriptions

	Yes
Are the following definitions and topics included in your substantial amendment?:	
• Blighted structure in context of state or local law,	☒
• Affordable rents,	☒
• Ensuring long term affordability for all NSP funded housing	

projects, • Applicable housing rehabilitation standards for NSP funded projects	☒ ☒

4. Low-Income Targeting

	Yes
Did you identify the estimated amount of funds appropriated to provide housing that meets the low-income set aside target?	☒
Did you provide a summary describing how your jurisdiction will meet its low-income set aside goals?	☒

5. Acquisition & Relocation

	Yes
For all acquisitions that will result in displacement did you specify:	
• The planned activity,	☒
• The number of units that will result in displacement,	☒
• The manner in which the grantee will comply with URA for those residents?	☒

6. Public Comment

	Yes
Did you provide your draft of the NSP3 substantial amendment for a minimum of 15 days for public comment?	☒
Did you include the public comments you received on the NSP3 substantial amendment in your plan?	☒

7. NSP Information by Activity

	Check all that apply
Did you include a description of all eligible NSP3 activities you plan to implement with your NSP3 award?	☒
For each eligible NSP3 activity you plan to implement did you include:	
• Eligible use or uses?	☒

• Correlated eligible CDBG activity or activities?	☒
• Associated national objective?	☒
• How the activity will address local market conditions?	☒
• Range of interest rates (if any)?	☒
• Duration or term of assistance?	☒
• Tenure of beneficiaries (e.g. rental or homeowner)?	☒
• If the activity produces housing, how the design of the activity will ensure continued affordability?	☒
• How you will, to the maximum extent possible, provide for vicinity hiring?	☒
• Procedures used to create affordable rental housing preferences?	☒
• Areas of greatest need addressed by the activity or activities?	☒
• Amount of funds budgeted for the activity?	☒
• Appropriate performance measures for the activity (e.g. units of housing to be acquired, rehabilitated, or demolished for the income levels represented in DRGR) ?	☒
• Expected start and end dates of the activity?	☒
• Name and location of the entity that will carry out the activity?	☒

8. Certifications

	Yes
Did you sign and submit the certification form applicable to your jurisdiction?	☒

9. Additional Documentation

	Yes
Did you include a signed SF-424?	☒

Appendix F

NSP3 Overall Budget

NSP3 Budget

Activity	Amount
NSP3 Program Administration	$ 338,000
Single Family Acquisition and Rehabilitation	$1,713,035
Multifamily Acquisition and Rehabilitation	$1,000,000
Demolition	$ 338,000
Total	$3,389,035