Grantee: Grand Prairie, TX

Grant: B-08-MN-48-0006

July 1, 2010 thru September 30, 2010 Performance Report

Grant Number: Obligation Date:

B-08-MN-48-0006

Grantee Name: Award Date:

Grand Prairie, TX

Grant Amount: Contract End Date:

\$2,267,290.00

Grant Status: Review by HUD:

Active Original - In Progress

QPR Contact:
Darwin Wade

Disasters:

Declaration Number

NSP

Narratives

Areas of Greatest Need:

There were 581 foreclosures within the City of Grand Prairie for 2008. The city has identified all active foreclosures within the city limits totaling 103 at this time. The city will consider high abandonment risk scoring census tracts scores between 4-10 as areas of priority initially for purchases and assistance grants. However, the geographical distribution of active foreclosures is widely dispersed throughout the city, and will change continuously. Keeping this in mind, the city will regularly obtain active foreclosure data from the Multiple Listing Service to attempt to service these areas primarily. The majority of low/mod income tracts lie in the areas scoring 4-10. At this time 103 out of 103 active foreclosures are in tracts scoring between 4-10. The city identifies these areas as having the greatest need. Risk scores are based on the (3) HUD identified criteria: 1) Greatest % of foreclosed homes; 2) Highest % of homes financed by sub-prime loans; 3) Areas likely to experience rise in foreclosures. Risk scores are derived from data provided by HUD on these (3) criteria not solely on foreclosure totals. The higher the score, the higher the overall risk of foreclosure considering the 3 criteria. (see attached supporting HUD foreclosure risk and MLS foreclosure data table, map, and list of census tracts submitted with substantial amendment)

Distribution and and Uses of Funds:

(1) Activity Name: Foreclosed Home Purchase Assistance Grants (2) Activity Type: Financing mechanism used for assistance with closing costs, down payment assistance, rehabilitation assistance, and project delivery costs including but not limited to inspections and appraisals. (3) National Objective: This assistance will only be offered to individuals and families whose incomes do not exceed 120% of area median income, and to individuals and families whose incomes do not exceed 50% of area median income. (4) Activity Description: This activity will be targeted at census tracts that have abandonment risk scores between 4-10. Income qualifying persons will be able to obtain up to \$20,000 in assistance. These grants will be available to both 120 % of median income limit, and 50% of median income limit households. The city estimates 51 households to be assisted by this activity. Home Ownership Assistance and Rehabilitation are both eligible CDBG activities. Families participating in this activity will be required to attend (8) hours of mandatory homebuyer counseling by a HUD approved counseling service and provide proof of completion. Activities will include finance assistance with closing costs, down payment, rehabilitation, and project delivery costs including but not limited to inspections and appraisals. (1) Activity Name: City Purchased Foreclosed Homes For Sale (2) Activity Type: Acquisition and rehabilitation of foreclosed homes to sale to qualifying households. (3) National Objective: This assistance will only be offered to individuals and families whose incomes do not exceed 120% of area median income, and to individuals and families whose incomes do not exceed 50% of area median income. (4) Activity Description: This activity will be targeted at census tracts that have abandonment risk scores between 4 -10. Income qualifying persons will be able to purchase foreclosed homes from the city with up to 20% down payment and closing cost component. The purchase of these homes will be available to both 120% of median income limit and 50% of median income limit households. The city estimates 8 families to benefit from this activity initially. Funds generated through sales will be recycled to make additional acquisitions. Acquisition and rehabilitation are both CDBG eligible activities. Families participating in this activity will be required to attend (8) hours of mandatory homebuyer counseling by a HUD approved counseling service and provide proof of completion. Activities will include purchase, rehabilitation, sale, and project delivery costs including but not limited to inspections and appraisals.

Definitions and Descriptions:

Low Income Targeting:		
Acquisition and Relocation:		
Public Comment:		

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$2,267,290.00
Total CDBG Program Funds Budgeted	N/A	\$2,267,290.00
Program Funds Drawdown	\$276,391.67	\$1,836,272.98
Obligated CDBG DR Funds	\$695,683.78	\$2,255,565.09
Expended CDBG DR Funds	\$303,934.22	\$2,279,239.82
Match Contributed	\$0.00	\$0.00
Program Income Received	\$208,011.17	\$1,000,969.35
Program Income Drawdown	\$437,234.87	\$898,605.99

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$340,093.50	\$0.00
Limit on Admin/Planning	\$226,729.00	\$82,895.43
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	\$566,822.50	\$444,494.25

Overall Progress Narrative:

This quarter has been great for our NSP program. We have fulfilled the obligation and 25% set aside requirements. We have expended well over our grants funds in addition to 1 million dollars in program income. We are extremely proud of our success and accomplishments with this program. Our NSP program has been nationally recognized at

the NAHRO conference in Boston, Massachusetts. All remaining grant funds have be obligated and all unobligated funds were moved to a different activity where it was most needed. We do anticipate expending all obligated funds very quickly. Our NSP program is comprised of 2 components, the 4HOME program - provides eligible grant applicants with 20,000 in assistance to purchase a foreclosed property in our city and the other component is the 4GOV program. The 4GOV program offers newly rehabilitated foreclosed properties to eligible government employees working in the city of Grand Prairie.

We have purchased 15 homes for our 4GOV program. 11 of the 15 have been sold. 1 home is currently available for sale and we have 2 homes that are in the rehab phase. On our 4HOME grant program we have assisted approximately 49 grant applicants to date.

Also, we have acquired 5 additional properties through the HUD REO program. We purchased the homes using other housing grant funds at a discount of 50% off of HUD's appraised value. These 5 properties housed hurricane Katrina victims from New Orleans. Each occupant was given the opportunity to purchase the property first and if they decided not to purchase, then they we offered a housing choice voucher to relocate. We have already rehabbed one property and sold it. The home buyer was assisted with NSP grant funds up to 20,000. The remaining 4 homes are in the rehab phase and will be offered for sale on our NSP 4GOV program to eligible government workers working in the city of Grand Prairie.

We would love to do more and assist more individuals with the purchase of a foreclosed property in our city. Due to the economic downturn, we have seen a spike in the number of foreclosures in our city. The NSP program has helped our housing market and our city's tax base with additional tax revenues along with stabilizing property values within our city. Property value revenues account for over 45% of our city's revenues. Whenever there is a decline in property values and an increase in foreclosures our city's general fund is affected tremendously.

We do anticipate a prolonged life of our NSP program due to the amount of program income we receive from the sale of each home we acquire. We will market heavily the homes we have available and other homes in the future. Recently, NSP3 funds were allocated to other cities in Texas and to the State of Texas. However, at this time we do not know when and if we will receive additional funding from HUD. We are in communication with the State of Texas NSP Manager with the Texas Department of Housing and Community Affairs as it relates to obtaining additional NSP funds through the State of Texas. I will await the publishing of NOFA from TDHCA on additional NSP funding.

Project Summary

Project #, Project Title	This Report Period	To Dat	Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown	
9999, Restricted Balance	\$0.00	\$0.00	\$0.00	
ADM, Administration	\$11,422.28	\$226,729.00	\$82,895.43	
Finance Mechanisims, FM	\$264,969.39	\$1,020,281.00	\$744,822.46	
Pand R, Purchase and Rehabilitation	\$0.00	\$1,020,280.00	\$1,008,555.09	

Activities

Grantee Activity Number: Admin 1

Activity Title: Administration

Activity Category: Activity Status:

Administration Planned

Project Number: Project Title:
ADM Administration

Projected Start Date: Projected End Date:

01/01/2009 01/01/2013

Completed Activity Actual End Date:

National Objective: Responsible Organization:

N/A City of Grand Prairie

Overall	Jul 1 thru Sep 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$226,729.00
Total CDBG Program Funds Budgeted	N/A	\$226,729.00
Program Funds Drawdown	\$11,422.28	\$82,895.43
Obligated CDBG DR Funds	\$155,255.85	\$226,729.00
Expended CDBG DR Funds	\$11,422.28	\$82,895.43
City of Grand Prairie	\$11,422.28	\$82,895.43
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Activity Description:

all administrative activities necessary to administer the NSP Program including but not limited to: Processing applications, verification process, documentation, creating and maintaing files, meeting with clients, working with mortagage companies and real estate agents.

Location Description:

205 West Church Street, Grand Prairie, Texas 75050

Activity Progress Narrative:

During this quarter, the Admin1 activity incurred expenditures totaling 11,422.28. These expenditures included items such as salaries and wage payble, social security, Texas Municipal Retirement System, advertising/promotions, mobile phone allowance, insurance and contract work.

We fully expect the 4Gov program to continue for an additional 24-48 months. Therefore, we feel it essential that we obligate the remaining

155, 255.85 administrative funds to continue operating this program over its extended life span.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

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

Grantee Activity Number: FH 120

Activity Title: Foreclosed Homes 120

Activity Category: Activity Status:

Acquisition - general Under Way

Project Number: Project Title:

Pand R Purchase and Rehabilitation

Projected Start Date: Projected End Date:

01/01/2009 01/01/2013

Completed Activity Actual End Date:

National Objective: Responsible Organization:

NSP Only - LMMI City of Grand Prairie

Overall	Jul 1 thru Sep 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$764,316.63
Total CDBG Program Funds Budgeted	N/A	\$764,316.63
Program Funds Drawdown	\$0.00	\$752,591.72
Obligated CDBG DR Funds	\$27,447.63	\$752,591.72
Expended CDBG DR Funds	\$0.00	\$1,013,176.65
City of Grand Prairie	\$0.00	\$1,013,176.65
Match Contributed	\$0.00	\$0.00
Program Income Received	\$208,011.17	\$746,703.22
Program Income Drawdown	\$309,617.74	\$655,837.24

Activity Description:

Purchase, rehabilitate, and resale at a discoubt to qualified apllicants.

Location Description:

Areras of greatest need identified in the revised substantial amendment submitted to HUD on February 5, 2009.

Activity Progress Narrative:

During this quarter we incurred expenditures totaling more than what we received in program income. We received the permission from our HUD Representative to use available grant funds in the DRGR FH25 activity to cover expenditures in our FH120 activity. We revised the FH25 voucher#124896 in the amount of \$161,299.74 to reflect its use. We revised this voucher for the net difference of \$131,322.05 to FH25 due to the sale of a home to a 50% income limit grant recipient, \$27, 447.63 to FH120 and \$2, 530.06 to FH25 to cover the FH25 expenses.

We also sold 2 of our homes to 120% AMI homebuyers. We sold the 5808 Palomino Way property and received \$105,647.81 in program income. We also sold the 1632 Northview property and received \$102, 363.36 in program income. During the quarter, we also drew down \$189,706.82 from our program income. The remaining \$119,910.92 of the total \$309,617.74 was due to a voucher revision done on July 9, 2010 to reflect the sale of a home. We revised the program income voucher #124998.

Accomplishments Performance Measures

This Report Period Cumulative Actual Total / Expected

Total Total

of Properties 2 11/6

This Report Period

Cumulative Actual Total / Expected

Total

2

Total 11/6

This Report Period

Cumulative Actual Total / Expected

	Low	Mod	Total	Low	Mod	Total Lo	w/Mod%
# of Households benefitting	0	2	2	0/0	9/6	9/6	100.00

Activity Locations

of Housing Units

Address	City	State	Zip
5808 Palomino Way	Grand Prairie	NA	75052
1632 Northview Drive	Grand Prairie	NA	75050

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: FH 25

Activity Title: Foreclosed Home 25 Set Aside

Activity Category: Activity Status:

Acquisition - general Under Way

Project Number: Project Title:

Pand R Purchase and Rehabilitation

Projected Start Date: Projected End Date:

01/01/2009 01/01/2013

Completed Activity Actual End Date:

National Objective: Responsible Organization:

NSP Only - LH - 25% Set-Aside City of Grand Prairie

Overall	Jul 1 thru Sep 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$255,963.37
Total CDBG Program Funds Budgeted	N/A	\$255,963.37
Program Funds Drawdown	\$0.00	\$255,963.37
Obligated CDBG DR Funds	(\$27,447.63)	\$255,963.37
Expended CDBG DR Funds	\$2,530.06	\$294,237.87
City of Grand Prairie	\$2,530.06	\$294,237.87
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$254,266.13
Program Income Drawdown	\$127,617.13	\$127,722.92

Activity Description:

Aquisition of foreclosed homes, rehabilitate, and resale at a discount to qualified participants.

Location Description:

Areas identified in the revised substantial amendment submitted to HUD february 5, 2009.

Activity Progress Narrative:

We revised the FH25 voucher#124896 in the amount of \$161,299.74 to reflect its use. We revised this voucher for the net difference of \$131,322.05 to FH25 due to the sale of a home to a 50% income limit grant recipient, \$27, 447.63 to FH120 and \$2, 530.06 to FH25 to cover the FH25 expenses during the quarter.

Also during the quarter we revised program income voucher#124998 to reflect the sale of a home in a the previous quarter 506 E. Springdale Ln. The original program income voucher was drawn on FH120 for the amount of 247,528.05. The voucher was revised on 7/9/2010 for 119,910.92 to FH120 and 127,617.13 to FH25. The 127,617.13 is the amount reflected in the QPR table as program income drawdown.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

This Report Period	Cumulative Actual Total / Expected
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	Low	Mod	Total	Low	Mod	Total Low/Mod%
# of Households benefitting	0	0	0	3/2	0/0	3/2 100.00

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

Grantee Activity Number: PAG 120

Activity Title: Purchase Assistance Grants 120

Activitiy Category:

Homeownership Assistance to low- and moderate-income

Project Number:

Finance Mechanisims

Projected Start Date:

National Objective:

NSP Only - LMMI

01/01/2009

Activity Status:

Under Way

Project Title:

FM

Projected End Date:

01/01/2013

Completed Activity Actual End Date:

Responsible Organization:

City of Grand Prairie

Overall	Jul 1 thru Sep 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$831,750.12
Total CDBG Program Funds Budgeted	N/A	\$831,750.12
Program Funds Drawdown	\$197,805.86	\$615,835.10
Obligated CDBG DR Funds	\$413,720.88	\$831,750.12
Expended CDBG DR Funds	\$222,818.35	\$745,938.51
City of Grand Prairie	\$222,818.35	\$745,938.51
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$102,438.31

Activity Description:

Assistance for closing costs, down payment, and rehabilitation up to \$20,000.

Location Description:

Areas of greatest need as identified in the revised substantial amendment submitted February 5 to HUD.

Activity Progress Narrative:

During this quarter drew 2 draws from our PAG120 program funds. We drew 134,176.78 on 8/3 and we drew 63,629.08 on 9/15 to PAG120 expenditures. Also, we obligated a total of 413,720.88 for the purpose of homeownership assistance in the amounts of 20,000 per approved grant applicant with an executed contract on a foreclosed property.

Also, during the quarter we increase our PAG120 activity budget from the original budget to 831,750.12. With the permission and assistance from our HUD field Rep, we unobligated funds from our PAG25 activity to the PAG120. This was done once we had exceeded our 25% set aside requirement. This moving of funds allowed us to assistance more homebuyers with the purchase of their home.

Also, during this quarter we have expended roughly 25, 012.49 in addition the amount that was already been drawn from program fund that has not been draw from program funds as of September 30th.

We do anticipate full depletion of all obligated PAG120 funds in the very near future.

This Report Period Cumulative Actual Total / Expected

Total Total

6 49/39

	This	s Report Period	d	Cumulative	Actual Total / E	xpected	
	Low	Mod	Total	Low	Mod	Total Lo	w/Mod%
# of Households benefitting	0	6	6	0/0	49/39	49/39	100.00
Activity Locations							
Address			City		State	Zip	
1710 Coffeyville Trail			Grand Prairie		NA	7505	52
5320 Nueces Lane			Grand Prairie		NA	7505	52
623 Delores Drive			Grand Prairie		NA	7505	52
3601 Bluegrass Drive			Grand Prairie		NA	7505	52
951 Crystal Way		Grand Prairie	Grand Prairie		75052		
3321 Willouby Drive			Grand Prairie		NA	7505	52
Other Funding Sources E No Other Match Funding So							

No Other Funding Sources Found Total Other Funding Sources Grantee Activity Number: PAG 25

Activity Title: Purchase Assistance Grants Set Aside

Activitiy Category:

Homeownership Assistance to low- and moderate-income

Project Number:

Finance Mechanisims

Projected Start Date:

National Objective:

NSP Only - LH - 25% Set-Aside

01/01/2009

Activity Status:

Under Way

Project Title:

FΜ

Projected End Date:

01/01/2013

Completed Activity Actual End Date:

\$0.00

\$12,607.52

Responsible Organization:

City of Grand Prairie

Overall	Jul 1 thru Sep 30, 2010	To Date
Total Projected Budget from All Sources	N/A	\$188,530.88
Total CDBG Program Funds Budgeted	N/A	\$188,530.88
Program Funds Drawdown	\$67,163.53	\$128,987.36
Obligated CDBG DR Funds	\$126,707.05	\$188,530.88
Expended CDBG DR Funds	\$67,163.53	\$142,991.36
City of Grand Prairie	\$67,163.53	\$142,991.36
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00

Activity Description:

Program Income Drawdown

Purchase assistance grants up to \$20,000 including closing costs, down payment, and rehabilitation costs.

Location Description:

Areas identified as areas of greatest need as identified in the revised substantial amendment submitted to HUD on February 5.

Activity Progress Narrative:

During this quarter we initiated two draws on 8/3 incurred expenditures of 49,283.53 and on 9/15 we incurred expenditures of 17,880. The total drawn funds for this activity are 67,163.53.

Also during this quarter we obligated a total of 126, 707.05 to be used for approved NSP grant applicants with an executed contract. Each approved NSP grant applicant has been issued an approval letter of 20,000 in grant assistance to cover 1/2 of down payment, closing cost and rehabilitation assistance.

We shifted unobligated funds from the PAG25 activity to the PAG120 activity due the fact that we had already exceeded our 25% set aside requirement to assist more buyers with grant assistance. This was done with the assistance of our HUD Field Rep.

We do anticipate all obligated grant funds to be depleted in the very near future.

This Report Period Cumulative Actual Total / Expected

Total Total

1 10/12

This Report Period	Cumulative Actual Total / Expected
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 Low
 Mod
 Total
 Low
 Mod
 Total Low/Mod%

 # of Households benefitting
 1
 0
 1
 10/12
 0/0
 10/12
 100.00

Activity Locations

AddressCityStateZip1718 Santa Cruz StreetGrand PrairieNA75052

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources Amount

No Other Funding Sources Found Total Other Funding Sources