Texas Low Income Housing
Information Service

508 Powell St
Austin, TX 78703-5122
**T** 512-477-8910
**F** 512-469-9802
john@texashousing.org
www.texashousing.org

**June 29, 2010**

# Neighborhood Stabilization Program in trouble in Texas

*State Rural Affairs Department may be forced to return $16 million, City of Houston $12 million in unspent housing foreclosure and jobs funds*

## Summary

Problems with the administration and handling of Neighborhood Stabilization Program 1 (NSP-1) funds may cause Texas to return as much as $42 million to the federal government instead of spending it on affordable housing activities that help move Texans back into foreclosed housing and provide them jobs.

NSP-1 funds were authorized by Congress in the Housing and Economic Recovery Act of 2008 under the Bush administration. This money was intended for use by local government to shore up neighborhoods hard hit by rising foreclosures in the wake of the housing crisis by:

- Helping first time homebuyers purchase foreclosed properties with financing, downpayment, and closing cost assistance;
- Purchasing and rehabilitating foreclosed properties, then reselling or renting them;
- Assembling vacant and foreclosed properties in a land bank, to be developed into affordable housing or economic development projects at a later date;
- Demolishing blighted properties; and
- Acquiring properties for redevelopment.

HUD distributed the funds on a formula basis tied to the number of foreclosures in the area. More than $178 million was awarded to Texas state and local governments and nonprofit agencies. $102 million is being overseen by statewide agencies including the Texas Department of Housing and Community Affairs (TDHCA), the Texas Department of Rural Affairs (TDRA), and the Texas State Affordable Housing Corporation (TSAHC), while the rest went directly to city and county agencies. Funds not committed by contract to particular development projects (known as "obligation" under the definitions of terms in the program) by September 3, 2010 will revert to the federal treasury. The Obama administration has indicated that it will seek to redistribute reverted funds to the states hardest hit by the foreclosure crisis.

**The future of NSP**

A second round of NSP funding has awarded funds to three organizations in Texas: Chicanos Por La Causa, El Paso Collaborative for Community and Economic Development and Habitat for Humanity International.

On June 23, 2010 House and Senate conferees for the Financial Reform bill accepted the House's offer to provide $1 billion for a third round of the Neighborhood Stabilization Program (NSP3).

The most recent reports available indicate that the NSP-1 program in Texas is severely troubled. Nationally, NSP-1 has been criticized for its ambitious timelines, red tape, and significant problems with the rapid rollout of this new program. Despite these problems, motivated agencies have been able to find effective ways to spend the funds to stabilize neighborhoods, provide affordable homes and badly needed jobs.

NSP-1 in Texas lags behind many other states. The TDHCA program ranks 43rd out of the 50 state-administered programs, while all the Texas based-programs rank 35th when compared by commitment rates to the state-wide performance of programs in the other 49 states.

Some states have figured out how to make the program work. Recipients in Kansas, Idaho and Utah have committed over 98% of their funds. Among states with large allocations, Pennsylvania and California have over 70% commitment among their direct recipients.

In Texas the problems with NSP-1 are three-fold: obligation of funds to buy specific foreclosed properties has taken too long, among some local programs funds earmarked to provide housing for very low-income families are not being used and there is growing evidence that insufficient attention is being devoted to providing the jobs required to be directed to low-income workers.

## Recommendations

We recommend the following actions to make sure that funds for Texas are not lost:

1. Immediate and strong leadership from state officials, mayors and county judges must occur within the next 30 days to compel administering agencies to quickly obligate funds before they are lost.

2. Given that some delays are due to the failure of federal enterprises such as Fannie Mae and FHA, the Texas Congressional delegation should work with the Administration to extend the timeframe for allocation of funds at least 180 days beyond the current September 3 deadline.

3. City and county agencies that are struggling should immediately attempt to reprogram their existing activities to alternative activities that have a better chance of swift

**Federal NSP-1 grant requirements**

- All funds must be used to assist families earning moderate incomes or lower and 25% of funds must assist Very Low Income households.
- Properties have to be bought at least 1% below market rate for the area.
- The program is subject to HUD Section 3 rules which means that low-income people should get preferential hiring for work related to construction on these projects
- Any income from the program has to be used for more NSP-1 eligible projects. For instance, if the NSP-1 funds are used to buy, rehab, and then sell a house, then the income from the sale needs to be plowed back into NSP-1 projects. Any money not used up by 2013 goes back to HUD.
- No more than 10% of the funds can be used for administration

obligation. Experiences of several agencies suggest that funds could be quickly obligated and expended by:

- Contracting with low-income housing developers like Habitat for Humanity or other community development corporations (an approach taken by Travis County Housing Finance Corporation);
- Purchasing multi-family housing with intent to rehabilitate it for low-income housing (an approach successfully undertaken by the Housing Authority of Fort Worth and several CDCs); and
- Working with institutions that have large pools of real-estate owned properties (Wells Fargo, Bank of America, Chase) to quickly purchase, undertake minor rehab, and resell to low- and moderate-income homeowners (an approach used by Harris County).

4. Streamline procedures for TDHCA and TDRA subrecipients to receive reimbursements, redouble efforts at technical assistance and share program designs with subrecipients that can get the funds spent quickly.
5. HUD, through FHA, should immediately begin signing off on paperwork for its foreclosed properties taking responsibility for environmental reviews, certification of proper treatment of tenants, and making those homes available to NSP-1 grantees.
6. Priority attention should be paid to the requirement that at least 25% of funds should be used to benefit very-low income households. As of the most recent reports, this requirement has not been carefully tracked at the state level.
7. As these projects move into construction and rehabilitation, strict attention should be paid to HUD's Section 3 rules, which require that 30% of new jobs created be targeted to low-income individuals and public housing residents. This will help stimulate employment in the hardest hit communities, as well as make certain that Texas is fully compliant with federal regulations.
8. Funds for the NSP-1 program should be administered in conformance with the Analysis of Impediments to Fair Housing of the local jurisdiction receiving these funds in order to affirmatively further fair housing. With multiple studies showing that minority communities were targeted with high numbers of subprime loans and higher foreclosure rates, it is especially important that NSP-1 beneficiaries be targeted to protected classes. NSP-1 program funds spent haphazardly or with little attention to this regulation run the risk of exacerbating inequities and increasing racial and economic isolation in housing markets.

## Principal findings

**Slow fund obligation imperils the grant.**

TDHCA received $102 million of the $178 million allocated within Texas. The remaining $76 million went from HUD directly to 14 city and county agencies. The Texas Department of Rural Affairs (TDRA) administers $18.8 million under a Memorandum of Understanding with TDHCA, split between 24 subrecipients in rural areas throughout the state. TDHCA also sub-allocated $7 million to the Texas State Affordable Housing Corporation, which supports local agencies to establish land banks of foreclosed properties for future development. The remaining funds are split among 36 subrecipients ranging from city and county agencies to nonprofit community development corporations.

Funds not obligated by September 3 may not be used for affordable housing in Texas but must be returned to the federal government for allocation to other states. See Appendices I and II for more detail on fund obligation rates by Texas direct recipients from HUD and Appendix II for details on fund obligation by TDHCA subrecipients.

The Texas State Affordable Housing Corporation has done a relatively good job obligating the funds it has available with 87% of the an initial allocation of $5 million obligated. (TSAHC has received a subsequent allocation of $2 million).

On the other hand, the Texas Department of Rural Affairs has failed to obligate much beyond administrative funds. We estimate that TDRA may be responsible for a loss of $16.2 million in federal funds: the greatest source of funds at risk to be lost in Texas. TDRA was tasked with administering the funds for rural Texas despite historically having little experience with housing programs. TDRA has obligated a mere 4% of the $18.8 million it is responsible for administering to housing projects. To date, funds have been obligated to acquire only 7 of the of the 203 housing units TDRA sub-grantees are required to purchase. Ten percent of the funds available to TDRA have been obligated for administrative purposes.

Several local governmental and nonprofit sub-grantees are also having difficulty committing the funds allocated to them. TDHCA set a benchmark to have all of its subrecipients obligate 100% of their funds by March 31, 2010. Yet TDHCA subrecipients in aggregate have just over 51% of funds committed. TDHCA has informed us that they are aggressively pursuing reprogramming options and do not intend to return any sub-grantee funds to the federal government but instead will reallocate the funds to multifamily affordable housing at the state level prior to the September 3 deadline.

Of the 35 TDHCA grantees for which data is available, we calculate, based on our analysis of internal agency reports we obtained under the Open Records Act, that 10 have done an excellent or acceptable job obligating the funds granted to them, 18 are lagging in obligating funds and 7 are highly likely to turn back their funds unused. TDHCA sub-grantees have about $42 million at risk (see Table 1).

**Table 1: Summary of TDHCA sub-grantee performance obligating funds**

| Grant progress | Amount of grant funds | # of Subrecipients |
|---|---:|:---:|
| Excellent performance | $17,064,517 | 7 |
| Acceptable performance | $10,922,848 | 3 |
| Lagging performance | $32,503,332 | 18 |
| Likely to lose funds | $9,745,302 | 7 |
| Grand Total | $70,235,999 | 35 |

Local government grantees receiving funds direct from HUD have, with a few exceptions, done a better job expending funds than State of Texas sub-grantees. The cities of Fort Worth, Dallas and Grand Prairie along with Harris County have obligated all of their funds in advance of the deadline. The City of Houston, however, has obligated only 15% of its $15.5 million grant and the City of El Paso only 3% of its $3 million grant and are likely to have to return to Washington the balance of their funds.

Data is not yet available to allow us to analyze the quality or cost effectiveness of the activities undertaken under NSP-1 in Texas. In this initial analysis we focus on the timeliness of fund expenditure, compliance with targeting of Very Low Income households for benefits and the creation of jobs in the communities through the program. We intend to conduct subsequent analysis to determine the quality and cost effectiveness of the program as data becomes available.

**Dallas area performance uneven.**

The Dallas area has a lot at stake in terms of Neighborhood Stabilization Program funds. Dallas County was allocated nearly $25 million, nearly 1/7 of the total funds statewide, split between the City of Dallas, Dallas County, the City of Garland, the City of Irving, the City of Mesquite and smaller grants to community development corporations. While Dallas and Dallas County have both done well obligating their funds, Mesquite, Garland, and Irving are lagging badly and could lose their funds if they are not able to improve their performance.

Of special concern are the low percentages of funding going to Very Low Income (VLI) households in Dallas. (See VLI definitions on page 6-7). While the City of Dallas has obligated all of its funds, they are woefully short on the amount going to VLI at 15% rather than the statutory requirement of 25%. Despite several calls, City of Dallas officials refused to respond to our requests for information about their program performance. Mesquite and Garland lag at least as much in serving households with Very Low Incomes.

The community development corporations in Dallas are nearly uniformly serving VLI households, but have experienced multiple problems in committing their funds, and several appear to be in some danger of having funds de-obligated. From our interviews, we believe that slow reimbursements and inadequate program information provided by TDHCA have hampered many of these CDCs, since they seldom have the cash flow and lines of credit that larger agencies have access to that would allow them to purchase multiple properties.

**Austin area performance weak.**

In the Austin area, Williamson County, Travis County and the City of Austin are all struggling with their NSP-1 grants from TDHCA. Area residents may lose out on $4.1 million in funds for affordable housing if these agencies cannot commit the funds by the deadline. The City of Austin has the most at stake, potentially returning $2.1 million in funds that could have been used for purchasing foreclosed properties and rehabilitating them. Travis County originally planned to use its funds to assist first time homebuyers with financing and closing costs, but subsequently found that the financing available through TDHCA was too slow and cumbersome to allow the county to commit all the funds by the deadline. Since then it has redirected its funds to Habitat for Humanity to build affordable housing, which will serve Very Low Income households in Travis County. Williamson County appears not to have committed any funds. A public information request from TxLIHIS was not acknowledged.

**Houston area slow performance places largest amount of funds at risk.**

The Houston area received the most NSP-1 funds of any region of the state, $37.4 million, and has the most to lose if progress isn't made quickly on committing the funds. $17.3 million is currently at risk. While Harris County has committed all of its funds, the City of Houston looks perilously close to losing $11.8 million, although they are attempting to contract with a local nonprofit developer to build affordable housing in order to meet the rest of their commitments. Fort Bend County is falling woefully short on its $2.8 million grant, appearing to have spent only the 10% administrative overhead allowed by the program, with no actual activity toward providing housing.

**Not all grantees are properly targeting Very Low Income households.**

Congress appropriated a total of $3.92 billion nationally for the NSP-1 program. NSP-1 was intended to provide housing assistance to a range of moderate to Very Low Income (VLI) households. Moderate income is defined as households earning less than 120% of the Area

Median Income (AMI). Twenty-five percent of the NSP-1 funds have to be used to benefit VLI families, defined as below 50% of AMI.

Here are examples of these incomes in two Texas cities.

**Table 2: Examples of qualifying incomes in two MSAs**

| Metro Area | Program Requirements | Income category | % AMI | Family of 4 |
|---|---|---|---|---|
| Austin/Round Rock | At least 25% of funds from NSP | Very Low-Income | 50% | $36,900 |
| | Maximum income for beneficiaries of NSP | NSP-1 maximum limit | 120% | $88,550 |
| Houston/ Baytown/Sugar Land | At least 25% of funds from NSP | Very Low-Income | 50% | $32,550 |
| | Maximum income for beneficiaries of NSP | NSP-1 maximum limit | 120& | $78,100 |

While TDHCA is doing quite well with 44% of funds committed to VLI households, several other jurisdictions are falling short, notably the cities of Dallas, Garland and Mesquite.

A number of local governments administering NSP-1 funds traditionally have not provided equitable levels of housing assistance to VLI households. This inexperience left them unprepared to design programs to assist these households. The failure to address the housing needs of poorer families is a serious problem in a number of Texas cities, especially Dallas, in not just NSP-1 but in all locally administered housing programs.

**Data on jobs is not yet being consistently collected.**

The HUD Section 3 jobs requirement centers around the responsibility to offer jobs to residents of public housing and other extremely low-income persons in the communities effected.

Each recipient of HUD NSP-1 funding is held to the following standard:

1. Meeting the minimum numerical goals set forth at 24 CFR Part 135.30, namely:
   a) 30 percent of the aggregate number of new hires shall be Section 3 residents;
   b) 10 percent of all covered construction contracts shall be awarded to Section 3 business concerns; and
2. 3 percent of all covered non-construction contracts shall be awarded to Section 3 business concerns.

Our requests to TDHCA and direct HUD recipients for documentation of compliance with the Section 3 requirements has failed to produce any records of Section 3 compliance. While this may be do to the fact that little actual housing work has yet been done, we are concerned that reporting and compliance procedures be put in place. Federal law requires that Section 3 hiring procedures be enforced. The jobs for low-income residents of the communities must not simply be an incidental result of the NSP-1 program expenditures.

A failure to comply with the jobs production goals would mean critical local job creation objectives of the stimulus program will be lost.

## Other findings

Texas Low Income Housing Information Service conducted interviews with 10 recipients of NSP-1 funds in Texas representing a cross-section of TDHCA subrecipients and direct HUD grantees to discuss successes, difficulties, and surprises of the program.

**Local control of program design has been a barrier to performance.**

In administering AARA funds such as NSP-1, federal disaster recovery grants and regular CDBG and HOME block grants, the State of Texas has adopted a policy of providing maximum local discretion in program design and administration. Local governments are said by the state to best understand the needs of their citizens and thus are in the best position to determine how to undertake projects.

In theory this makes sense, but the practical application of the “local control” doctrine has proven highly problematic when the grants involve new programs and large amounts of funding that must be expended quickly. The NSP-1 program provides evidence of this problem.

NSP-1 regulations permitted a wide latitude of housing activities. TDHCA allowed sub-grantees the full range of program choices. The program decisions of some local sub-grantees were often unrealistic. In some instances the home foreclosure market caused program failures, in others it was the unavailability of private mortgage lending that slowed fund obligation.

Several sub-grantees told us that TDHCA should have planned more carefully and limited the options presented to sub-grantees to the most workable options, given the Texas economy and the HUD program rules.

By limiting the state agency’s role to that of a grant conduit to local administrators, TDHCA failed to provide the essential planning expertise that could have made the program operate better. The result has been much wasted time and effort at the local level.

In fairness to TDHCA it has been saddled with an unprecedented amount of new funding and new programs to administer, stretching the agency's capacity to the limit. But it is clear from the NSP-1 experience and from Hurricane disaster recovery that the State of Texas has an important planning and assistance role to play if programs are to succeed.

**Focus on housing contracting frustrating community development goals.**

In order to obligate funds quickly administrative procedures were put in place both by HUD and TDHCA that makes the community development mission of CDCs difficult and drives up housing costs.

The NSP-1 requirement to obligate funds quickly forced sub-grantees to lock in contracts for not simply property acquisition, but for construction services prior to the September 20 deadline. It proved difficult to secure construction bids more than 90 days prior to the time construction could commence due to material and labor cost uncertainties. Contractors willing to lock in bids far in advance raised their prices to account for cost volatilities. Smaller, local subcontractors were less able to participate.

Project sequencing, in which CDC's would normally undertake construction on one house following another in order to better hire or apprentice the limited numbers of Very Low Income neighborhood residents with skills, also proved impossible under these rushed contracting requirements.

In this sense the program goal of "putting the money on the street" worked against the goal of cost efficiency and community-level jobs creation.

**Government sponsored enterprises are not cooperating to sell foreclosures.**

One contributing factor to the delay in the commitment of funds in Texas has been a standoff between federally-controlled lenders (such as FHA and Fannie Mae) and the state regarding the Protecting Tenants at Foreclosure Act (PTAF). While most major lenders, including Chase, Bank of America, and Wells Fargo were willing to sign a form certifying compliance with PTAF, FHA and Fannie Mae refused. Texas recipients refused to purchase properties that could not be documented as compliant with PTAF, and rightly so, but this left the largest pools of foreclosed homes unavailable to NSP-1 grantees. Fannie Mae recently reversed course and began signing the PTAF compliance form, but foreclosed homes owned by FHA are still unavailable to NSP-1 grantees. This is especially ironic since HUD explicitly encourages its NSP-1 grantees to buy FHA owned foreclosures.

To the extent this issue delayed the commitment of funds in Texas, recipients should be granted an extension to commit funds. Texas should not be punished for having required lenders, especially federally-controlled lenders, to follow the law.

**Federal rules make offers to buy properties less attractive to sellers.**

Another commonly mentioned problem was that NSP-1 grantees found themselves competing with investors to buy foreclosed properties. One requirement of the program is that foreclosed properties be bought at a discount (initially set at 15% below market value, and recently lowered to 1% below market value). While private investors buying property at market value may stabilize prices of homes in neighborhoods, this does not guarantee true neighborhood stabilization, since absentee ownership and speculation often lower property values, open the way for neglect, and attract crime. In areas where the housing market is "hotter," the longer process required by NSP-1 often means that the NSP-1 sub-grantees will lose out in offers to purchased foreclosed properties to investors with ready cash.

**Mortgage financing for Very Low Income homebuyers is impossible.**

Many agencies that chose to use the majority of their funds to assist borrowers with financing, closing costs and downpayment assistance mentioned the difficulty of meeting the 25% set-aside for Very Low Income households. Agencies that mixed the financing mechanisms with either purchase and rehabilitation or purchase and redevelopment seemed to have fewer difficulties in meeting this requirement.

**TDHCA NSP-1 program was very slow to get started.**

Several complaints emerged with TDHCA's program administration. The first complaint was nearly universally agreed upon: TDHCA was slow getting started on the project. Agencies applied for funds in January 2009. TDHCA notified agencies of the awards in July or August of 2009, but the contracts and training on how to manage the contract process were not completed until December 2009. From that date, agencies had less than 6 months to obligate all funds. By contrast, HUD direct grantees were able to get started in April 2009.

**CDCs cannot front cash to purchase foreclosed properties.**

Community development corporations faced hurdles in cash flow and reimbursement. While larger city and county agencies often had sources of other funds or lines of credit that allowed them to move forward quickly and wait on reimbursement, many CDCs struggled with lagging reimbursements from TDHCA. One CDC we spoke to in Dallas had managed to get its first $5,500 reimbursement only after four months, and has several other reimbursements outstanding.

**Insufficient TDHCA staff assigned to administer the program and support grantees.**

Many agencies mentioned that the staff at TDHCA assigned to NSP, while hard working, competent and responsive, seemed overstretched. Each administrator was assigned approximately 12 subrecipients to monitor, assist, and manage. One of the subrecipient directors said that his program alone seemed like enough work for a full-time employee. Several grantees complained of the lack of technical assistance and the moving targets for various requirements.

By contrast, several HUD direct grantees said that they thought the technical assistance through HUD was excellent after an initial settling out period.  HUD provides many opportunities for training and technical assistance to its grantees through weekly webinars and collected extensive information for grantees at http://hudnsphelp.info.

TDHCA has prided itself on holding down administrative costs. This is a commendable goal but a balance must be struck between holding down administrative costs and having sufficient staff to support the timely administration and grantee assistance needed to operate the program.  The capacity of local organizations to set up and administer housing programs, especially new programs, is very limited. TDHCA must work to define the proper role for the agency in assisting local government and nonprofits to build their capacity. The NSP-1 program problems highlights the critical need for state involvement in capacity building.

**Lack of financial incentives discourages subrecipients.**

Profit is a big motivator. Subrecipients repeatedly voiced concerns that they do not have much of a long-term financial stake in their projects.  Unlike direct grantees from HUD, all program income from selling purchased homes or renting out properties to low-income families goes back to TDHCA, with none being retained by the subrecipient.

## Conclusion

The NSP-1 program has the potential to give a significant one-time boost to affordable housing in Texas, but three significant challenges need to be addressed.

We call on Texas to:

• Ensure that each recipient fully obligates all funds by September 3, 2010,

• Ensure each recipient spends at least 25% of funds on very-low-income households, and

• Ensure each recipient complies with HUD Section 3 job creation and reporting goals.

We must not allow this program to fail.

Immediate action on the eight recommendations outlined earlier in this report are essential to overcoming these challenges.

**Appendix I – Direct HUD grantee reports on funding committed (in $ millions)**

| County | Grantee | Grant Amount | Amount Committed | Endangered Funds | Percent Committed | % of Committed Funds to Low-Income |
|---|---|---|---|---|---|---|
| Statewide | State of Texas - TDHCA | $102.00 | $32.90 | $69.10 | 32% | 44% |
| Harris | Houston, TX | $13.50 | $1.70 | $11.80 | 13% | 21% |
| El Paso | El Paso, TX | $3.00 | $0.10 | $2.90 | 3% | 0% |
| Fort Bend | Fort Bend County, TX | $2.80 | $0.30 | $2.50 | 10% | 0% |
| Dallas | Mesquite, TX | $2.10 | $0.80 | $1.30 | 37% | 0% |
| Bexar | San Antonio, TX | $8.60 | $7.50 | $1.10 | 86% | 35% |
| Dallas | Dallas County, TX | $4.40 | $3.40 | $1.00 | 77% | 100% |
| Dallas | Garland, TX | $2.00 | $1.00 | $1.00 | 47% | 15% |
| Tarrant | Arlington, TX | $2.00 | $1.60 | $0.40 | 81% | 27% |
| Harris | Harris County, TX | $14.90 | $14.70 | $0.20 | 99% | 27% |
| Hidalgo | Hidalgo County, TX | $2.90 | $2.80 | $0.10 | 97% | 26% |
| Tarrant | Tarrant County, TX | $3.30 | $3.20 | $0.10 | 98% | 26% |
| Dallas | Dallas, TX | $7.90 | $7.90 | $0.00 | 100% | 15% |
| Tarrant | Fort Worth, TX | $6.30 | $6.30 | $0.00 | 100% | 25% |
| Tarrant | Grand Prairie, TX | $2.30 | $2.30 | $0.00 | 100% | 21% |
| Total: | | $178.00 | $86.50 | $91.50 | 48.60% | 35% |
| Note: Figures come from reports filed at HUD in May 2010, and represent a different period of time from the TDHCA subrecipient chart | | | | | | |
| Source: NSP-1 Texas State Report May 2010. http://hudnsphelp.info/media/snapshots/05-31-2010/1ST-TX-R06-05312010.pdf | | | | | | |

## Appendix II – TDHCA subrecipients progress obligating funds (in $ millions)

| County | Subrecipient | Total Contract Amount * | Obligated Funds * | Endangered Funds * | % of funds obligated |
|---|---|---|---|---|---|
| Statewide | Texas Department of Rural Affairs** | $18.8 | $2.6 | $16.2 | 14% |
| Dallas | Builders of Hope CDC | $3.3 | $0.8 | $2.5 | 24% |
| Dallas | City of Irving | $2.9 | $0.5 | $2.5 | 16% |
| Lubbock | City of Lubbock | $2.2 | $0.0 | $2.2 | 0% |
| Travis | City of Austin | $2.5 | $0.5 | $2.1 | 18% |
| Jefferson | City of Port Arthur | $2.3 | $0.3 | $2.0 | 14% |
| Bexar | Housing & Community Services | $3.0 | $1.1 | $1.8 | 38% |
| El Paso | City of El Paso | $1.7 | $0.0 | $1.7 | 3% |
| Potter | City of Amarillo | $1.7 | $0.1 | $1.6 | 5% |
| Bexar | San Antonio Alternative Housing Corporation | $3.3 | $1.9 | $1.4 | 57% |
| Harris | Harris County | $1.6 | $0.2 | $1.4 | 15% |
| Webb | City of Laredo | $2.1 | $1.0 | $1.1 | 47% |
| Dallas | Central Dallas Community Development Corporation | $1.2 | $0.1 | $1.1 | 6% |
| Jefferson | City of Beaumont | $1.2 | $0.1 | $1.1 | 10% |
| Travis | Travis County Housing Finance Corporation | $1.4 | $0.3 | $1.0 | 24% |
| Collin | Plano Housing Corporation | $1.3 | $0.3 | $1.0 | 22% |
| Galveston | City of Galveston | $1.1 | $0.0 | $1.0 | 2% |
| Taylor | Abilene Neighborhoods in Progress | $1.1 | $0.1 | $1.0 | 5% |
| Dallas | City of Garland | $1.5 | $0.5 | $1.0 | 35% |
| Dallas | Fraizer Rev. Inc. | $1.0 | $0.0 | $1.0 | 2% |
| Williamson | Williamson County Habitat for Humanity | $1.0 | $0.0 | $1.0 | 5% |
| Cameron | Community Development Corporation of Brownsville | $3.9 | $3.0 | $0.9 | 78% |
| Ector | City of Odessa | $1.5 | $0.7 | $0.8 | 47% |

| | | | | | |
|---|---|---|---|---|---|
| McLennan | Neighborhood Housing Services of Waco | $1.1 | $0.5 | $0.7 | 42% |
| Statewide | Texas State Affordable Housing Corporation | $5.0 | $4.4 | $0.7 | 87% |
| Hidalgo | Affordable Homes of South Texas, Inc. | $1.6 | $1.0 | $0.5 | 65% |
| Cameron | City of Harlingen | $1.1 | $0.6 | $0.5 | 56% |
| Dallas | Enterprise Community Partners | $0.5 | $0.0 | $0.5 | 5% |
| Taylor | Abilene Habitat for Humanity | $0.5 | $0.0 | $0.5 | 7% |
| Tarrant | Tarrant County Housing Partnership | $4.1 | $3.6 | $0.4 | 89% |
| Harris | City of Houston | $3.5 | $3.2 | $0.4 | 89% |
| Hidalgo | Housing Authority of the County of Hildalgo | $1.3 | $1.0 | $0.3 | 76% |
| Collin | Inclusive Communities Project | $1.1 | $0.8 | $0.3 | 74% |
| Denton | Inclusive Communities Project | $1.0 | $0.9 | $0.1 | 89% |
| Cameron | Housing Authority of the City of San Benito | $0.5 | $0.5 | $0.0 | 97% |
| Cameron | Brownsville Housing Authority | $3.0 | $3.0 | $0.0 | 100% |
| Tarrant | Ft. Worth Housing Authority | $6.9 | $6.9 | $0.0 | 100% |
| TOTALS | | $93.0 | $40.7 | $52.2 | 44% |
| Note 1: Although federal rules require that 25% of all funds go to benefit very low-income people, the reports to TDHCA on this matter are incomplete. Few recipients filled this portion out, and some reports do not even have a category for this number. | | | | | |
| Note 2: Amounts shown come from an tracking sheet from TDHCA as well as the monthly reports filed by recipients obtained through a Public Information Request. | | | | | |
| * All amounts in millions of dollars. | | | | | |
| ** TDRA subcontracted its funding out to a variety of rural recipients, but its subrecipient breakdown was unavailable at the time of this report. This figure comes from a report to the TDRA board and is accurate as of May 19, 2010. | | | | | |

## Appendix III - TDHCA sub-grantee status reports

| County Served | Subrecipient | # Units in Contract | # Units obligated | % of contract units obligated | 6-Mo Milestone | On-track for 9-mo milestone | Status |
|---|---|---|---|---|---|---|---|
| Dallas | Builders of Hope Community Development Corporation | 35 | 1 | 3% | forb granted | | 1 incomplete setups |
| Dallas | City of Irving | 20 | 6 | 30% | currently 6 amd from 22 | | 6 incomplete setups |
| Lubbock | City of Lubbock | 37 | 0 | 0% | forb granted | no | no units pending |
| Travis | City of Austin | 16 | 4 | 25% | forb granted | no | 4 set ups on HCS |
| Jefferson | City of Port Arthur | 67 | 214 | 319% | forb granted | On Track | 48 incomplete setups |
| Bexar | Housing & Community Services | 52 | 67 | 129% | ok | no | multi-family under contract, pending underwriting |
| Webb | City of Laredo | 27 | 4 | 15% | forb granted | no | Ok in demo, 0 HBA, working add'l acq. |
| El Paso | City of El Paso | 14 | 0 | 0% | forb granted | no | no units pending |
| Harris | Harris County | 14 | 0 | 0% | amd to from A2 to B1/B2 | | 8 incomplete setups |
| Tarrant | Tarrant County Housing Partnership | 52 | 47 | 90% | forb granted | no | 15 single family & 2 multi in pending |
| Dallas | Central Dallas Community Development Corporation | 9 | 9 | 100% | forb granted | On Track | 10 incomplete setups |
| Jefferson | City of Beaumont | 9 | 0 | 0% | forb granted | | 48 incomplete setups for demolition |
| Galveston | City of Galveston | 4 | 0 | 0% | amd from 6 to 4 | | 4 incomplete setups |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Taylor | Abilene Neighborhoods in Progress | 10 | 0 | 0% | forb granted | no | no units pending |
| Williamson | Williamson County Habitat for Humanity | 8 | 0 | 0% | | | no activity |
| Dallas | City of Garland | 12 | 8 | 67% | Yes | On Track | |
| Brownsville | Community Development Corporation of Brownsville | 30 | 20 | 67% | forb granted | possibily | appear to have met obligation reqs with pending setups |
| Ector | City of Odessa | 14 | 7 | 50% | forb granted | no | 7 pending setups |
| Dallas | Frazier Revitalization, Inc. | 6 | 2 | 33% | forb granted | | 2 incomplete setups |
| McLennan | Neighborhood Housing Services - Waco | 10 | 6 | 60% | forb granted | no | 6 pending setups |
| Statewide | Texas State Affordable Housing Corporation | 120 | 195 | 163% | forb granted | On Track | 115 incomplete setups |
| Cameron | Brownsville Housing Authority | 13 | 16 | 123% | forb granted | On Track | All property set-ups complete, pending loan closing |
| Collin | Enterprise Community Partners | 8 | 0 | 0% | amd from 28 to 8 | | no activity |
| Cameron | City of Harlingen | 12 | 5 | 42% | forb granted | yes | |
| Hidalgo | Affordable Homes of South Texas, Inc. | 4 | 1 | 25% | forb granted | * | Need set-aside units |
| Denton | Inclusive Communities Project | 5 | 5 | 100% | forb granted | yes | requirements met |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Travis | Travis County Housing Finance Corporation | 28 | 5 | 18% | forb granted | no | 5 set ups on HCS |
| Hidalgo | Housing Authority of the County of Hildalgo | 16 | 16 | 100% | yes | yes | 16 setups - 5 closings |
| Collin | Plano Housing Corporation | 3 | 0 | 0% | forb granted | | 3 admin draws paid - several incomplete setups |
| Harris | City of Houston | 1 | 1 | 100% | Yes | On Track | Set up incomplete |
| Taylor | Abilene Habitat for Humanity | 4 | 0 | 0% | forb granted | no | no units pending |
| Collin | Inclusive Communities Project | 5 | 5 | 100% | forb granted | yes | requirements met |
| Bexar | San Antonio Affordable Housing Corporation | 30 | 28 | 93% | forb granted | yes | appear to have met obligation reqs with pending setups |
| Cameron | Housing Authority of the City of San Benito | 4 | 4 | 100% | forb granted | On Track | need to complete property setups |
| Tarrant | Fort Worth Housing Authority | 50 | 0 | 0% | forb granted | no | no unit pending |
| TOTALS | | 749 | 676 | 90% | | | |

## Appendix IV - TDRA sub-grantee status reports

| County Served | Subrecipient | # Units in Contract | # Units obligated | % of contract units obligated | 6-Mo Milestone | On-track for 9-mo milestone | Threshold Status |
|---|---|---|---|---|---|---|---|
| Bastrop | City of Elgin | 9 | 0 | 0% | forb granted | 7 | 2 offers accepted |
| Grayson | Texoma Housing Finance Corporation | 11 | 0 | 0% | forb granted | 11 | |
| Guadalupe | City of Seguin | 15 | 0 | 0% | forb granted | 15 | |
| Midland | Midland County Housing Authority | 17 | 0 | 0% | forb granted | 17 | |
| Walker | City of Huntsville | 12 | 0 | 0% | forb granted | 12 | |
| * | Enterprise | 16 | 0 | 0% | forb granted | 16 | |
| Kaufman | City of Terrell | 13 | 0 | 0% | forb granted | 13 | |
| Howard | City of Big Spring | 5 | 0 | 0% | forb granted | 5 | |
| Orange | Nautical Affordable Housing, Inc. | 4 | 0 | 0% | forb granted | 0 | 4 units pending Setup |
| Brazos | City of Bryan | 2 | 0 | 0% | forb granted | 2 | |
| Gonzales | City of Waelder | 5 | 0 | 0% | forb granted | 5 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| Cooke | Texoma Housing Finance Corporation | 11 | 0 | 0% | forb granted | 11 | |
| Fannin | Texoma Housing Finance Corporation | 11 | 0 | 0% | forb granted | 11 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| * | Enterprise | 8 | 0 | 0% | forb granted | 8 | |
| Hays | City of San Marcos | 3 | 2 | 67% | forb granted | 1 | |
| Tom Green | City of San Angelo | 5 | 5 | 100% | forb granted | 0 | |
| Totals | | 203 | 7 | 3% | | | |
| Enterprise contracts serve several counties, and notes were not clear as to which counties. | | | | | | | |