July 24, 2009

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

RE: Neighborhood Stabilization Program and DRGR Quarterly Performance Report for period ending: July 31, 2009

Dear Ms. Warren:

On March 26, 2009, the U.S. Department of Housing and Urban Development (HUD) executed the City of Houston, Neighborhood Stabilization Program (NSP) grant agreement. In reference to NSP requirements and federal regulations in the Federal Register/Vol. 73, No. 194, pg. 58341, at (O)(b)(i), the following reporting requirements are presented for the period ending: July 31, 2009.

The Quarterly Performance Report (QPR) contains two sections: the General Report and the Project Activity Reports.

- The General Report covers financial activity, contracts awarded, and summary accomplishments for the quarter. It also includes comment areas for explanation of achievements or problems. This report must be submitted each quarter for all open grants.

- Project Activity Reports (PAR) document accomplishments for each project as they occur. Information for a project is broken down by budget activity code so that required summary reports are developed.

Included with this cover letter is the Housing and Community Development Department (HCDD) General Report with noted accomplishments. To this date, the HCDD has not awarded or drawn any NSP funds; therefore, HCDD has not posted any obligations or expenditures, nor have any projects been posted. For further detail, please see general accomplishments as noted and based on monthly reports – May and July 2009.
General Reporting

The HCDD has not submitted any NSP eligible projects through the DRGR or to the U.S. Department of Housing and Urban Development (HUD); therefore, under the **Financial Activity** and **Project Status** noted below, there are no reported projects or activities. In the May and June 2009 NSP monthly reporting, HCDD submitted accomplishments which are too noted below under **Accomplishments**.

1. **Financial Activity**: no financial activity is reported during this first operating quarter.

2. **Project Status**: no eligible project is reported during this first operating quarter.

3. **Accomplishments**: the following general accomplishments are reported during this quarter:

   **June 2009 Period**

   - HCDD personnel developed a Request-for-Proposal (RFP) for attainment of subrecipient services to assist in the development and implementation of acquisition, rehabilitation and sale of residential properties for individuals or family households whose incomes do not exceed 50 percent of the area median income. This activity is denoted within the Action Plan at page 7, *F. NSP Program By Activity*. The RFP was publicized through the HCDD website. The opening and closing dates are April 1, 2009 through June 30, 2009.

   - June 9, 2009, HCDD personnel conducted an informational seminar concerning the Neighborhood Stabilization Program (NSP) RFP funding. The purpose of the seminar was to explain to the RFP proposers the requirements of the NSP program and the application process for subrecipient services.

   - HCDD personnel is currently planning and developing the NSP and necessary services that will provide for acquisition, demolition and reconstruction of foreclosed or abandoned residential properties as denoted within the Action Plan at pages 7 and 9 in sections *F.*- and *G. NSP Program By Activity*. These services are directed for individuals or family households whose incomes do not exceed 120 and 50 percent of the area median income; respectively.

   - HCDD personnel are speculating and assessing eligible residential properties that will provide for rate attainment set forth within the Action Plan at pages 7 and 9 in sections *F.*- and *G. NSP Program By Activity*.

   - HCDD personnel are determining reimbursement for Pre-award Costs (see Federal Register, pg. 58335, (C)) and in accordance with OMB Circular A-87.

   - No funds have been awarded for NSP program services, vendor services, or for any service nor have any funds been drawn for administration; therefore, HCDD has not posted any obligations or expenditures.
May 2009 Period

- HCDD personnel developed a Request-for-Proposal (RFP) for attainment of subrecipient services to assist in the development and implementation of acquisition, rehabilitation and sale of residential properties for individuals or family households whose incomes do not exceed 50 percent of the area median income. This activity is denoted within the Action Plan at page 7, F. NSP Program By Activity. The RFP was publicized through the HCDD website. The opening and closing dates are April 1, 2009 through June 30, 2009.

- HCDD personnel is currently planning and developing the NSP and necessary services that will provide for acquisition, demolition and reconstruction of foreclosed or abandoned residential properties as denoted within the Action Plan at page 9 in G. NSP Program By Activity. These services are directed for individuals or family households whose incomes do not exceed 50 percent of the area median income.

- HCDD personnel are speculating eligible residential properties for approved activity implementation and performance measure attainment under activity ‘G’.

- HCDD personnel are determining reimbursement for Pre-award Costs (see Federal Register, pg. 58335, (C)).

- No funds have been awarded or drawn; therefore, HCDD has not posted any obligations or expenditures.

Richard S. Celli, Director

RSC/dtc

Cc: Betty Keaton
    Donald Sampley
    Renee Carrington
    Pirooz Farhoomand
    Derek Sellers
    Dean Carter
    Bari Fishel

File: NSP Grant Number: B-08-MN-48-0400